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DIRECTORATE GENERAL OF
FOREIGN TRADE

Districts
as Export Hubs



Building a better
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Preface

This district export plan for Lucknow District is being prepared as a part of Developing District as Export Hub under the District Export Hub Scheme initiated by the Ministry of Commerce & Industry, Govt of India and state Government of Uttar Pradesh. Hon'ble Prime Minister in his Independence Day Speech on 15th August 2019, had, inter- alia observed that each of our district has a diverse identity and potential for targeting global markets and there is a need for converting each district into potential export hubs. In order to implement Hon'ble PM's vision for each district, Department of Commerce has mandated the Directorate General of Foreign Trade to work with State Government and District Level authorities to promote the Lucknow district as an export hub. In view of above, a District Level Export Promotion Committee has been formed by the office of DIC, Lucknow under the chairmanship of District Magistrate. With the said objective, 'District Export Action Plan' has been prepared and being presented to concerned stakeholders.

The report encompasses in-depth information on district's geographic, demographic, and administrative profile, along with key statistics of prominent exporting products of district, gaps identified basis diagnostic survey, recommendations proposed to mitigate the gaps and action plans required to implement those recommendations.

The report provides insights into exports from the cluster, via analysing exports over the last five years from India and UP for the respective product. The report also shares insights on availability of raw material, technology upgradation, infrastructure, designing, packaging, access to finance, skill development etc. Besides the detailed action plans, the timeline and responsibility matrix has also been defined with implementation schedule to give implementation roadmap of the product.

For this desired purpose, an extensive primary and secondary research was conducted. The report has been prepared in co-ordination with the Office of DGFT, Kanpur and Uttar Pradesh Export promotion Bureau (UPEPB). The data has been sourced from multiple avenues, including but not limited to data provided by office of DGFT, Kanpur, UAM data (2019), DICs, 2011 Census of India, Diagnostic Study Reports, stakeholder consultation and several other secondary resources.

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1. Vision of Districts as Export Hubs

“Each district of our country has a potential equal to that of one country, each of our districts has the capacity equal to a small country in the world. why should each district not think of becoming an export hub? Each of our districts has a diverse identity and potential for global market”

- *Honourable Prime Minister of India, Shri Narendra Modi*

Foreign trade from India constitutes of 45% of its GDP. Until 2019, only the central government was engaged in the decision making of foreign trade, without any participation or involvement of state and/or district stakeholders. However, now, understanding that there are diverse elements that contribute towards an enabling and conducive foreign trade environment; the central government has identified that with policy & strategy, active support of the state governments and district administrations are also equally required.

Thus, to decentralize the existing activities, to boost local production & its exports and to ensure active participation of state & district stakeholders, vision of district as export hubs was put to action. Department of Commerce, through Directorate General of Foreign Trade (DGFT) is working with the State / UT Governments to achieve this objective.

DGFT and UPEPB have aimed at synergising their efforts to identify the key products, export trends and challenges. Further in order to minimize the challenges, quantify the exports and outline export strategy; a detailed district-wise Export Action Plan has been made for all 75 districts of UP, where EY has contributed as Knowledge Partner.

2. District Profile

Lucknow is the capital city of the Indian state of Uttar Pradesh (UP) and the second largest city after Kanpur in UP. Lucknow is also the administrative headquarter of the eponymous district and division. Lucknow has always been a multicultural city that flourished as a North Indian cultural and artistic hub and was the seat of power of Nawabs in the 18th and 19th centuries. It continues to be an important centre of governance, administration, education, commerce, aerospace, finance, pharmaceuticals, technology, design, culture, tourism, music, and poetry. Lucknow sits on the north-western shore of the Gomti River.

Hindi is the city's official language. However, the most prominent language spoken in Lucknow is the Hindi-Urdu language. Though it is an ancient language and is often referred to as Lucknawi Urdu. As the seat of the government of Uttar Pradesh, Lucknow is the site of Vidhan Sabha, the High Court and numerous government departments and agencies. It is also the location of many social and cultural institutions of national significance, such as the Kathak, Khayal, Nawabs and Classical music. It is also the birthplace of British pop star Sir Cliff Richard. With reference to health care Sanjay Gandhi Post Graduate Institute of Medical Science (SGPGI) at Rae Bareilly Road has attraction of the U.P. State. As for as with relation to tourism several historical buildings constructed by Nawab's are situated in the city and attracting the tourist.

Lucknow, the capital city of the Indian state of Uttar Pradesh is world renowned for its traditional Chikankari & Zari-zardozi embroidery, Dashehari Mangoes. This traditional embroidery style is one of Lucknow's most ancient and well-known art forms, believed to be introduced by the Mughals.

2.1 Geography

Lucknow, the capital of Uttar Pradesh is situated 23 Mts. above sea level. It is situated on 26° 30'- 27° 10' North latitude and 80° 30'- 81° 13' East longitude. Lucknow covers an area of 2528 km². Lucknow district has been divided into 5 Tehsils, 8 Blocks, and 961 villages.¹ On its eastern side lies Barabanki District, on the

¹ <https://lucknow.nic.in/>

western side is Unnao District, on the southern side Raebareli District, and on the northern side the Sitapur and Hardoi districts.

Lucknow is accessible from every part of India through Air, Rail and Road. It is directly connected with New Delhi, Patna, Kolkata, Mumbai, Varanasi, Bengaluru, Thiruvananthapuram, and other major cities by Amausi airport. Some Overseas cities are also directly connected from Lucknow by Air.

2.2 Topography & Agriculture

Awadh, known as the granary of India, was important strategically for the control of the fertile plain between the Ganges and the Yamuna rivers known as the Doab. Situated in the heart of the great Gangetic plain, Lucknow city is surrounded by its rural towns and villages like the orchard town of Malihabad, historic Kakori, Mohanlal ganj, Gosainganj, Chinhat, Itaunja. The Gomti River, the chief geographical feature, meanders through the city, dividing it into the Trans-Gomti and Cis-Gomti regions. Lucknow city is in the seismic zone III. Lucknow has a warm humid subtropical climate with cool, dry winters from December to February and dry, hot summers from April to June. The rainy season is from mid-June to mid-September, when Lucknow gets an average rainfall of 896.2 millimetres (35.28 in) from the south-west monsoon winds, and occasionally frontal rainfall will occur in January. In winter, the maximum temperature is around 25 °C (77 °F) and the minimum is in the 2 to 3 degrees Celsius range. Fog is quite common from late December to late January. Summers are extremely hot with temperatures rising to the 40-to-46-degree Celsius range.²

3. Industrial profile of the district

Existing States of Industrial areas in the district Lucknow.

Table 1: Industrial areas in Lucknow²

S. No	Name of Indus. Area	Land acquired (in Acre)	Land Development (in Acre)	No of Plots/ Sheds	No of Units/Shed in Production
1	Rural Ind. Estate, Talkatora	48.66	48.66	130/31	129/30
2	Mohanlal Ganj	2.33	2.33	80	80
3	B.T.Mishra pur	2.33	2.33	54	54
4	S.P.Kakori	2.24	2.24	1	
5	UPSIDA Ind. Area, Chinhat	701.76	671.12	140	103
6	Sarojini Nagar	235.09	235.09	150	93
7	Amausi	236.90	236.90	91	63

As given in the following table, MSME industries across the sectors of food/agro-based industries, repair & servicing, wood, metal, apparel, chemical, leather, engineering etc. are the key economy drivers of the district.

Ready garments and embroidery contribute most in terms of employment and revenue, which is approximately 26% and 8% respectively. Repairing and Servicing contributes ~15% to revenue, highest among all the enterprises and ~19% of work force is employed in this vertical.

² MSME Development Institute, Kanpur

Table 2: Industries details³

NIC Code no	Type of Industry	Number of units	Investment (Rs Lakh)	Employment
20-21	Food/Agro Product	647	3879	3591
22	Soda Water	23	84	170
23	Cotton Textile	96	13	340
24	Woollen, Silk, and artificial thread-based clothes	5	82	54
25	Jute & jute based	20	82	89
26	Ready-made garments & Embroidery	6403	2736	20146
27	Wood/wooden based furniture	317	959	2477
28	Paper & Paper products	750	3508	4320
29	Leather based	796	154	2955
30	Rubber, Plastic & petro based	375	2651	2720
31	Chemical/Chemical based	539	3025	2893
32	Mineral based	330	2038	3925
33	Basic Metal Industries	129	955	752
34	Metal products	974	2380	5123
35	Machinery & Parts except Electrical (Engineering units)	420	1843	3623
36	Electrical machinery and Apparatus	327	1324	2478
37	Transport Equipment's & Parts	269	1854	1822
38	Misc. Manufacturing	1117	1608	3699
96-97	Repairing & servicing	4801	5090	14357
	Total	18338	34265	75534

Ready-made garments and Embroidery sector of MSME with 6403 units in the district is the most prominent and economy contributing sector of the district. It is followed by sectors such as "Repair and installation of machinery and Equipment," "Misc. Manufacturing" with 4801 and 1117 units, respectively.

³ Directorate of Industries, Govt of U.P, Kanpur

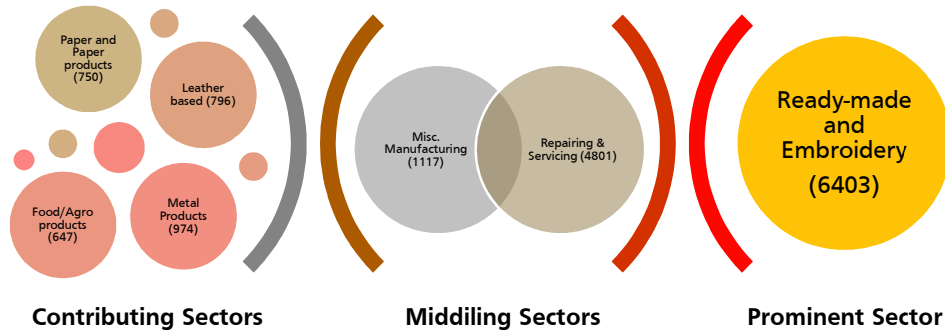


Figure 1: MSME landscape of the district

Out of total population of 4,589,838 (2011 census), 1,542,806 are working population. Out of total working population, 68.99% are working in other industries, 24.54% are cultivators and agricultural labourers and only 6.47% are household industry workers. This indicates that agriculture is the main source of income in the district.

Table 3: Occupational Distribution of Main Workers⁴

S.No.	Particulars	Lucknow	%
1	Cultivators	1,75,578	11.38%
2	Agriculture Labourers	203,029	13.16%
3	Household Industry Workers	99,863	6.47%
4	Others	1,064,336	68.99%

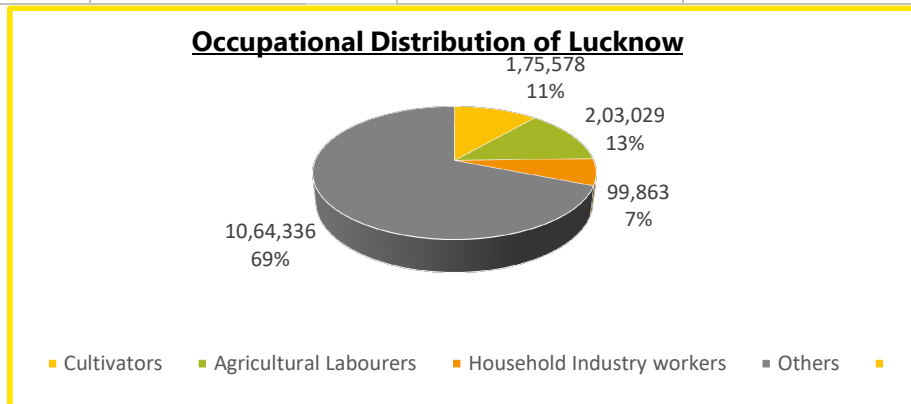


Figure 2: Occupational distribution of Lucknow

3.1 Major Exportable Product from Lucknow

The total export from Lucknow is approximately INR 1343.04 Crore for the financial year 2021-22.⁵

The following table depicts the value of export of seven major products from Lucknow:

⁴ District census handbook 2011- Lucknow

⁵ <https://dashboard.commerce.gov.in/commercedashboard.aspx>

Table 4: Major exportable product

S. No	Product	Export value (in INR) from financial year 2021-22 ⁵
1	Malihabadi Mango	64.13 Lakhs ⁶
2	Chikankari & Zari-Zardozi	50 – 60 Cr ⁶
3	Engineering Goods	269.29 Cr
4	Rice	76.58 Cr
5	Sugar	64.35 Cr
6	Wheat	85.55 Cr
7	Chemicals	124.85 Cr
Total Export from Lucknow		1343.04 Cr⁷





Apart from the above-mentioned products, Service Sector Exports from Lucknow has tremendous untapped potential to take India's Services Export from the current US\$200 Billion to US\$700 Billion in the next 5 years. Lucknow is having a very well-developed infrastructure in the 7 out of 12 Champion sectors. The 7 Champion sectors are Tourism and Hospitality, Medical Value Travel, Education Services, Information Technology Enabled Services (ITeS), Audio- Visual Services, Transportation & Logistics Services and Environmental Services. Details are mentioned in Section 9.

4. Product 1: Chikankari & Zari-Zardozi

4.1 Cluster Overview

The word "Chikan" means intricacy and it was derived from Persian whereas, "Kari" means work in Hindi. The art of Chikan embroidery in India is known to be a 400-year-old craft. It came to India with Noorjahan, the queen of Jahangeer, the Mughal Emperor. It was practiced by other begums (wives) of mughal emperors as well. Chikankari thrived under the patronage of the rulers of Awadh. It was when the capital of Awadh shifted to Lucknow from Faizabad, in the year 1722 that the Chikankari craft came to Lucknow.⁸ The products crafted were for the individual consumption of the royal family. After the year 1860 until 1947, TOPI PALLA was the only commercial product that was sold.

Key Facts⁸

-  **5,000 Manufacturers**
-  **INR 1,200 Crores** Approximate turnover of the cluster
-  **INR 50-60 Crores** ~ Export Turnover
-  **2,50,000** Artisans directly or indirectly associated

Zari zardozi is a style of embroidery that came to India from central Asia in the 12th century. An ornate and sumptuous craft, it was patronised by the affluent and courtly classes. In current times, it has seen a popular revival, and is a favourite at weddings and on fashion ramps.

Today, Lucknow is well known for its Chikankari and Zari-zardozi work across the World. The famous Chikankari or Chikan embroidery in Lucknow is the biggest artisan-based cluster of India with about 2,50,000 artisans associated and with a turnover of about INR 1,200 crore.⁸ The pockets include, Smileganj, Chinhat, Takroh, Aminabad, Indiranagar, Alam Bagh, Kakori and Sadourna etc. Owing to its rich heritage, size, and contribution to the district's economy, the GoUP has selected this craft under ODOP programme. Lucknow's Chikankari and Zari-zardozi has also received the GI tag due to its historical importance and uniqueness.

⁶ Turnover of Mango is for FY 2020-21 as provided by DGFT and turnover of Chikankari & Zari-Zardozi is for FY 2018-19 as per DSR

⁷ <https://dashboard.commerce.gov.in/commercedashboard.aspx>

⁸ DSR, DIEPC, Lucknow

4.2 Product profile

At present, Chikankari & Zari-zardozi craft is primarily practiced by the majority of rural Muslim women. Over the years, embroidery in India has transformed itself to bring out contemporary professionalism in the craft, along with preserving the craft's traditional nature. Based on the production design, the products can be categorized into two categories Traditional Wear and modern Wear.

At the onset of the craft, one of the first products ever manufactured was for the headgear used by the nawabs in Lucknow. It was in the due process that the embroidery art was also transformed and diversified into a variety of products. The traditional products comprise of Caps, Chakan, Angrakha, Kurta-Kameez and Applique etc.

The modern products in the cluster are categorized as men's wear, such as embroidered sherwani, handkerchief and shirts etc; women's wear, like unstitched suit - salwar cloth, stitched suit, saree, kurti, lehenga, ladies' short kurta; children's clothing, like a baby set, etc. Over a period, the artisans of Lucknow Chikankari have additionally indulged in product diversification by fabricating new-fangled products, like table mat, pillow cover, bedsheet, curtain, table accessories, cushion cover, etc.

Zardozi is a type of heavy and elaborate metal embroidery on a silk, satin, or velvet fabric base. Designs are often created using gold and silver threads and can incorporate pearls, beads, and precious stones. It is used as decoration for a wide range of applications, including clothes, household textiles, and animal trappings. Historically, it was used to adorn the walls of royal tents, scabbards, wall hangings and the paraphernalia of regal elephants and horses.⁹

Initially, the embroidery was done with pure silver wires and real gold leaves. However, today, craftsmen make use of a combination of copper wire, with a golden or silver polish, and silk thread.

4.2.1 Product Portfolio

The following are the key products manufactured in the cluster:

1. **Polyester Saree:** One of the major products sold in Chikankari is polyester saree. Though chanderi, silk and cotton were majorly used for making saree in Lucknow before. Polyester saree materials have gained popularity in the recent years due to its durability, affordable rates and easily availability. Moreover, they are widely available in numerous colours and weaving pattern.
2. **Kurtis:** Kurtis has gain prominence in recent years as it can be worn by ladies over the jeans. Thus, Kurtis have become a unique symbol of confluence of old and modern traditions. Moreover, it can be worn for any occasions. Kurtis have become a major product of chikankari as their price range is generally on lower side and they come in numerous shapes, colour, and cater to all ages. Prime raw material used in making kurtis is polyester.
3. **Types of Chikankari Embroidery Stitches:** Chikan embroidery has a repertoire of about 40 stitches of which about 30 are still being used. These can be broadly divided into 3 heads - flat stitches, raised and embossed stitches, and the open trellis-like jaali work. Some of these have equivalents in other embroideries, the rest are manipulations that make them distinctive and unique. They cover all the embroidery stitches of the country and have interesting and descriptive names. Some of the traditional names are Taipchi, Pechni, Pashni, Bakhia, Gitti, Jangira, Murri, Phanda and Jaalis.

Lucknow Chikan products are mentioned in below table:

Table 5: Lucknowi Chikan Products

Traditional products	Household products
Embroidered Sherwani, Sarees, Kurta- Kameez, Kurti, Angrakha, Caps, Handkerchief and Shirts etc.	Baby set, Table mat, Pillow covers, Cushion Covers etc.

⁹ <https://en.wikipedia.org/wiki/Zardozi>

4.2.2 Status of GI Tag

Lucknow Chikankari Craft has been awarded Geographical Indication (G.I.) status in 2008 and is valid up to 2027. Total number of authorized users are 113.

Lucknow Zardozi has also been awarded Geographical Indication (G.I.) status in 2013 and there are 82 authorised users registered.¹⁰

4.3 Cluster Stakeholders



Figure 3: Cluster Stakeholders

4.3.1 Industry Associations

Following are principal Industry Associations/SPVs that are working for the development of Chikankari in Lucknow:

- ▶ Lucknow Chikankari Cluster Audhyogic Utpadan Sahkari Samiti Ltd.
- ▶ Chikan Traders Association
- ▶ Chikan Handicraft Association
- ▶ Sewa Lucknow
- ▶ Shilp Sadhna

4.4 Export Scenario

4.4.1 HS code

The following table lists the HS codes under which the products are exported from the district:

Table 6: HS codes for Chikankari & Zari-Zardozi

HS codes	Description
581092	Embroidery of man-made fibres on a textile fabric base, in the piece, in strips or in motifs
620442	Women's or girls' dresses of cotton (excluding knitted or crocheted and petticoats)
621142	Women's or girls' tracksuits and other garments, n.e.s. of cotton (excluding knitted or crocheted)

¹⁰ DGFT

580500	Hand-woven tapestries of the type Gobelin, Flanders, Aubusson, Beauvais and the like, and needle worked.
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Current Scenario

The export scenario of India and Uttar Pradesh have been analysed basis the export statistics of HS codes mentioned above under which chikankari and Zari-Zardozi products are exported. Alongside are the key facts¹¹ pertaining to the analysed product codes.

Based on our analysis, we have identified key synergies that should be developed to expand our current reach and potential; These synergies are divided into immediate and long term. The immediate synergies include countries with Signed FTA's, high growth potential, and one is catered by India and not UP. Whereas the long-term synergies include countries with untapped market potential which can only be fulfilled if UP's exporters comply and raise the quality of the product to the highest standards, freight rates are more subsidized and major efforts is required in marketing which will require time to accommodate the same.

Key Fact of Export¹¹

6,273,263 (USD Thousand)
Value of world exports in 2020

746,738 (USD Thousand)
Total Exports from India in 2020

213,190 (USD Thousand)
Total export from UP in 2020

~28.55%
Share of UP in India's exports

4.5 Export Potential

- ▶ The total exports of Chikankari and Zardozi products from Lucknow district was approx. INR 60 crores in year 2018-19.¹²
- ▶ As per the exporters from Chikankari, the demand for the design depends a lot on the local climatic condition. While the GCC countries preferred light weight fabrics and attires like Hijabs, scarfs, stoles, suits, dupattas, along with the accessories.
- ▶ The cluster has tremendous export potential, but owing to lack of proper market assessment mechanism, changing design patterns, specific demand preferences.
- ▶ Hence, it was pointed out that the proper study of the foreign market, region specific demand patterns to be ascertained. Along with that, a common platform to be created where there can be an integration between the exporters and importers, thereby making the export ecosystem robust and effective.
- ▶ Chikankari and Zardozi products do not have specific HSN codes. Based on stake holder consultations, following HSN codes were mentioned for the product. –

Product 581092: Uttar Pradesh exports this product to **UAE, Italy, Saudi Arabia, China, USA, Turkey, Hong Kong, Japan, Thailand, Nepal, and Morocco**. Below figure shows the top importers for this product (581092) in the world:

¹¹ <https://www.trademap.org/>

¹² DGFT

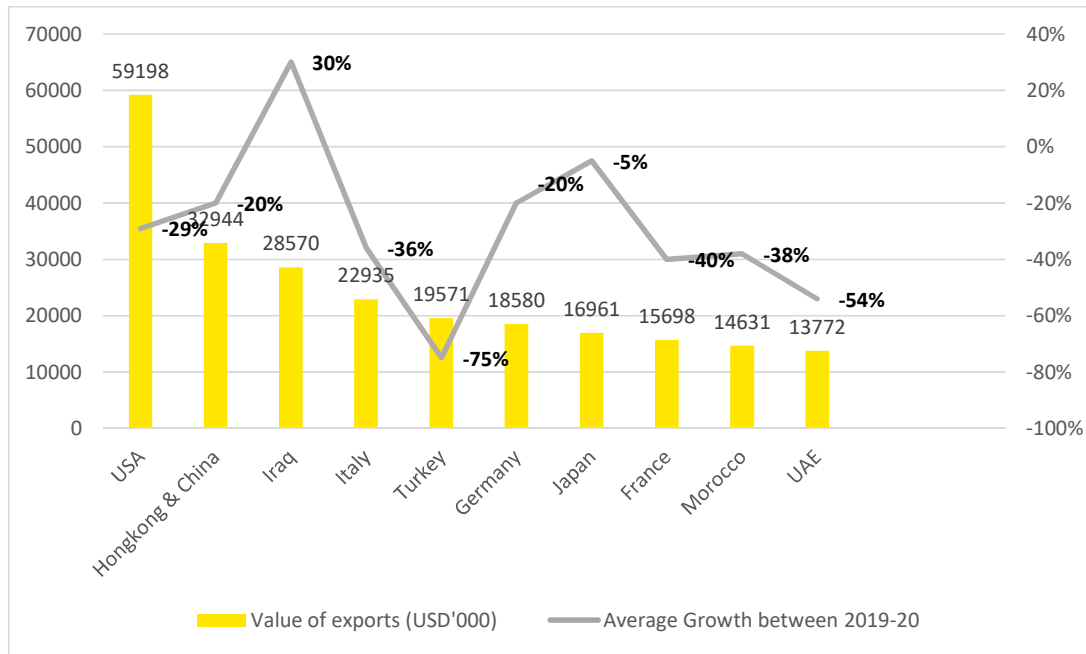


Figure 4: Top importers for this product (581092) in the world

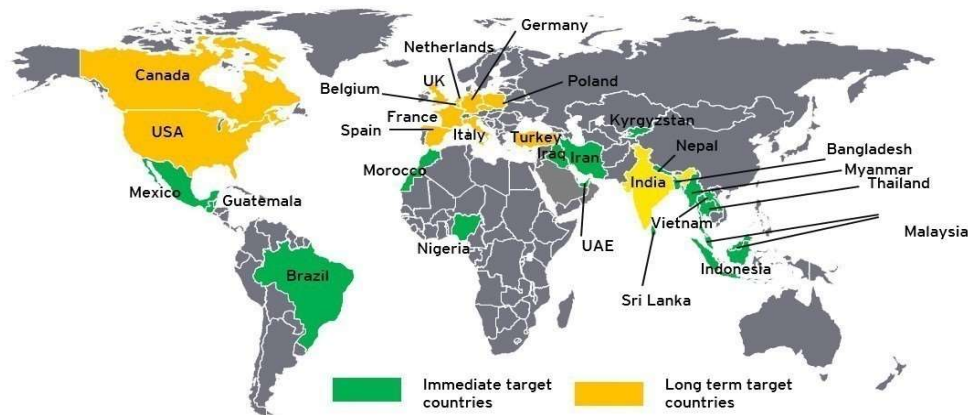


Figure 5: Markets for export potential

4.6 Potential Areas for Value Added Product

Product Diversification is one of the most crucial product uplifting strategies which in turn is an important part of a product's export. This plays a vital role in any products exports as it is a product uplifting strategy. Most artisans are not bothered about changing their product range and they fail to understand that it is an integral part of comprehensive marketing. Diversification can be brought in the cluster by:

1. Development of a new products:

The artisans of the district should be encouraged to diversify the product categories and must be provided with enough resources to create innovative products without losing the ancestral essence of the craft.

The artisans going forward should focus on creating Sofa covers, dining covers, bedsheets, Sherwani (top looks like men's sherwani). Combination of Chikankari and Zari product on wall hanging is also in high demand.

2. Modifications of Existing Products

It has also been found that most of the artisans use no strategy for making modifications to the existing products in the light of design and fusion. The artisans can make fusion products by blending zari & Chikankari work with **madhubani or block prints**. They can also expand in terms of the materials they use for making the products by introducing cotton and jute into their product range.

4.7 SWOT analysis

Table 7: SWOT Analysis

Strengths	Weakness
<ul style="list-style-type: none"> ▶ Easy availability of skilled workforce particularly artisans ▶ Large potential for diversifying on variety of apparels ▶ Easy availability of raw material for mass production ▶ A brand name in itself due to recognition through GI Tag ▶ Availability of various government interventions for fostering the cluster 	<ul style="list-style-type: none"> ▶ Minimal technological upgradation and long production time ▶ Existence of large number of intermediaries between artisans and entrepreneurs ▶ In light of competition the focus has shifted from quality to quantity ▶ Lack of focus on increasing export ▶ Lack of focus on diversification of Product ▶ Less exposure of International Market ▶ Lack of knowledge about changing trends in design in Global Markets ▶ No specific code to capture the data exactly.
Opportunities	Threats
<ul style="list-style-type: none"> ▶ Huge scope of market expansion- domestic and foreign ▶ Scope for development of new products and modifying existing range ▶ Potential collaborations with renowned designers and design institutes for improving existing designs ▶ Increase participation in marketing events- International and domestic ▶ A huge demand in international market ▶ Present and up-coming FTAS 	<ul style="list-style-type: none"> ▶ Tough competition with cheaper, printed & machine embroidered items ▶ Industrialization causing artisans to move to metropolitan cities in search of better paying jobs

4.8 Challenges and interventions

Parameter	Challenges	Intervention
Raw Material	<ul style="list-style-type: none"> ▶ Raw Material Bank ▶ Unawareness about Mill Gate scheme 	<ul style="list-style-type: none"> ▶ Examination of proposal of Establishment of Raw Material Bank under ODOP Scheme if covered under the scope of Scheme or under any other scheme. Deputy Commissioner Industries should submit a report on the feasibility of this proposal before the acceptance of Report so that this may be included in the report. ▶ Create awareness about Mill gate Scheme through DC handicraft and DIEPC.
Technological	<ul style="list-style-type: none"> ▶ Lack of ancillary machineries for artisans which limits their 	<ul style="list-style-type: none"> ▶ Establishment of Common processing Center with modern machines including fabric checking and

upgradation	potential and hinders the productivity and potential of the cluster	measuring machine, packaging, and tagging machine, Sewing (Juki) machine etc under ODOP scheme or any other scheme.
Design	<ul style="list-style-type: none"> ▶ Traditional designs are still being followed by artisans they are not focusing on design innovation 	<ul style="list-style-type: none"> ▶ Establishment of Product Design Center with CAD/CAM facility along with a display center. ▶ Collaboration with renowned designers to conduct workshops for artisans pertaining to design forecasting, upcoming trends, market assessment etc.
Marketing & branding	<ul style="list-style-type: none"> ▶ Lack of infrastructure for marketing and trading of the product in domestic and international markets ▶ Offline marketing is broadly used over online marketing ▶ Creation of brand name for the zardozi products. ▶ Minimal use of Govt of India's e-commerce portal: India Handmade Bazaar – Seller Registration for maximizing sale ▶ Lack of knowledge of existing schemes and govt. initiatives ▶ Lack of participation in national and international events related to the sector 	<ul style="list-style-type: none"> ▶ Craft tourism - Lucknow has world renowned historic places such as Chota Imbarara, Baradari, Begum kothi, British Residency etc. As a pilot project any of these historical places can have a specific area where tourist can see history of Chikankari Craft, what makes it unique, process of producing a Chikankari product and outlet from where the international and domestic tourist can buy the authentic Chikankari product. ▶ Establishment of a Marketing centre within the CFC in Lucknow to facilitate marketing events. ▶ Collaboration with E-commerce companies like Flipkart, Amazon, Ebay for maximizing sales. ▶ Collaboration with NIFT, to support artisans in establishing the brand name of the 'Zari-Zardozi' products in the national and international market ▶ Increase the usage of the portal as this portal facilitates the weavers and artisans to provide information about their handloom products for easy understanding of exporters. (http://www.indiahandmadebazaar.com/index.php.) ▶ Conduct awareness workshops at District level to create awareness about schemes like International Cooperation (IC), Market Assistance Scheme (MAS) etc. which provides assistance to individuals/associations wishing to participate in marketing events ▶ The DGFT/FIEO can set targets for participating in events per year. Example: Participation in at least 3 international events for this sector every year to create foreign linkages and increase ▶ Suggesting measures to the UPEPB for State Export Promotion Policy towards enhancing export of Handicraft goods.
Quality Improvement	<ul style="list-style-type: none"> ▶ Undefined quality standards of the products. 	<ul style="list-style-type: none"> ▶ MoU with QCI for defining quality standards of the products so that their quality can be maintained/ improved, and they can be exported across the globe with brand logo which ensures its authenticity.
Post GI Initiative	<ul style="list-style-type: none"> ▶ Lack of promotion of products highlighting their GI tag 	<ul style="list-style-type: none"> ▶ Target to make 100 authorised Users to become IEC holder in a year. (DIC) to identify such stakeholders. ▶ Organise one seminar within two months to apprise

		the stakeholders about the importance of Geographical Indication (GI) and for increasing the authorised users. (This can be done by DGFT /FIEO/ MSME with the help of DIC)
Exporter's issue	<ul style="list-style-type: none"> ▶ No focal point to address exporters ongoing issues. 	<ul style="list-style-type: none"> ▶ DIEPC to act as a focal point for all exporters issues. Deputy Commissioner Industries may be given this responsibility to monitor the cell in consultation with DGFT.
Cost Structure	<ul style="list-style-type: none"> ▶ U.P. is a land-locked state hence this increases the transportation cost which in turn adds to the overall production expenses ▶ Since the start of Covid 19 Pandemic, the availability of containers and the Freight Charges by the Shipping lines has been main concern of the industry 	<ul style="list-style-type: none"> ▶ The DIC office should organize workshops for exporters to apprise about Foreign Trade Policy benefits viz. Duty Exemption Scheme / Advance Authorization Scheme / Duty Free Import Authorization Scheme by Central Government. ▶ The DIC office should organize workshops for exporters to apprise about Export Promotion Scheme of the Department of MSME & Export Promotion, UP such as Market Development Assistant (MDA), Financial Assistance for Foreign fairs/exhibition, Financial Assistance for sending samples to foreign buyers, Subsidy on freight charges upto gate way port Air Freight Rationalisation Scheme etc. ▶ The CONCOR rates are to be made available at regular intervals to the DIC office for updation of the same at the district website. ▶ The formation of the sub-committee comprising the representative of CONCOR and Deputy Commissioner Industries to understand the issue and suggest ways to help Industry. Ease of Logistics portal of FIEO has been developed to provide information about container availability and issues relating to it. The industry may be informed of this portal.

4.9 Future Outcomes

Annual Turnover
Increase in annual turnover from existing INR 1200 Cr. to 2000 Cr. by 2025

Cluster exports
Substantial targeted growth in cluster exports expected to be 38% in short term and approx. INR 100 cr. by 2025.

5. Product 2: Malihabadi Dasherri Mango

5.1 Cluster Overview

The Dasherri mango is a mango cultivar which originated in a village near Kakori in Lucknow district in the 18th century. It is a sweet and fragrant variety of mango grown in North India, the southern state Andhra Pradesh, Nepal, and Pakistan¹³. Malihabad in Uttar Pradesh is the largest producer of this variety. Alongside are the key facts¹⁴ pertaining to the land area, turnover and GI status.¹⁵

Uttar Pradesh ranks 1st in production of fresh Mangos with the share of 23.47%¹⁶ and highest productivity. The total export of Mango from India was Rs. 400 Cr. during the year 2019-2020.¹⁵ The major export destinations were UAE, UK, USA, Oman & Qatar etc. Maharashtra & Gujarat are two top exporting states in the Country. The total export of Fresh Mango from the Uttar Pradesh was Rs. 1.84 cr. in 2020-2021 with share of less than 1% share in total national exports. As regards the export of Dasherri variety of Mango under HS code 08045024 is concerned, it was Rs. 64.13 Lakh in 2020-2021 having share of 33% in total exports of UP (It is largest commercial variety of Mango being exported from the State).


The largest of 14 mango belts in UP, Malihabad has 40,000 hectares of land under cultivation. Malihabad is the mango capital of India and has some of the oldest mango trees. The groves here are owned by families who have been in the mango-growing business for years, some even for 100 or 200 years!" Malihabad is the mango-lover's Garden of Eden; Chausa, Langda, Safeda and many other famous varieties of mangoes are grown here. The correct export data is not being captured as Exporter's are not aware of Correct HS code and most of Exports is taking place indirectly, hence the origin of state is also not being mentioned by the Exporters.


Mango from Lucknow has been selected as ODOP product from Lucknow under PMFME Scheme (PM Formalisation of Micro food processing Enterprises Scheme).


5.2 Product Profile

Malihabadi Dasherri mango grows in Lucknow Mango Belt which is spread over three blocks of Lucknow—Mall, Malihabad and Kakori. Dasherri mangoes are small to medium-sized fruits, averaging 9 to 15 centimetres in length, and have an elongated, straight oval shape with blunt, curved ends. The skin is semi-thick, smooth, leathery, and subtly waxy, ranging in colour from light green to yellow green, transforming into a golden yellow hue when ripe. Underneath the surface, the orange flesh is tender, succulent, and entirely fibreless, encasing a moderately-sized stone. Dasherri mangoes are highly aromatic and bear a tropical, nectar-like scent. The fruit's flesh is very sweet and contains tropical, fruity, and mildly tangy nuances.

Key Facts¹⁴

 **40000 Hectares** of land under cultivation

 **INR 64 Lakhs** ~ Export Turnover in 2020-21

 **Awarded GI status** in 2009 and valid upto 2028

¹³ <https://en.wikipedia.org/wiki/Dasherri>

¹⁴ <https://www.trademap.org/>

¹⁵ DGFT

¹⁶

https://apeda.gov.in/apedawebsite/SubHead_Products/Mango.htm#:~:text=Areas%20of%20Cultivation%20%3A&text=Uttar%20Pradesh%20ranks%20first%20in,of%2023.47%20%25%20and%20highest%20productivity.

5.2.1 Status of GI Tag

Malihabadi Dasher mango has been awarded Geographical Indication (G.I.) status in 2009 and is valid up to 2028. There is no authorized user of GI.

5.3 Cluster Stakeholders



Figure 6: Cluster Stakeholders

5.3.1 Industry Associations

Following are principal Industry Associations/SPVs that are working for the development of Mangoes:

- ▶ Directorate of Agriculture Marketing and Agriculture Foreign Trade, UP Indian Council of Agricultural Research (ICAR)
- ▶ Agriculture and Processed Food Products Export Development Authority (APEDA)
- ▶ The Central Institute of Subtropical Research (CISH)
- ▶ Regional Food Research & Analysis Centre (R-FRAC)
- ▶ National Horticulture Board (NHB)
- ▶ Mango Growers Association of India
- ▶ Government Food Science Training Centre, Lucknow

5.4 Export Scenario

5.4.1 HS Code

HS codes under which the product is exported from the district.

Table 8: HS Code with description

HS Code	Description	Value of exports (in INR)
08045024	Fresh or dried guavas, mangoes, and mangosteens	64 Lakhs

Current Scenario

The export scenario of India and Uttar Pradesh have been analysed basis the export statistics of HS codes 08045024 under which mangoes and mangosteens are exported. Alongside are the key facts pertaining to the analysed product code.¹⁷

¹⁷ <https://www.trademap.org/>

Key Fact of Export¹⁷

3,616,620 (USD Thousand)

Value of world exports in 2020

137,459 (USD Thousand)

Total Exports from India in 2020

820 (USD Thousand)

Total export from UP in 2020

5.5 Export Potential

- ▶ The total exports of Mangoes from Lucknow district were around INR 64 Lakhs in year 2020-21.
- ▶ India's exports represent 3.8% of world exports for this product, its ranking in world exports is 8.¹⁷

Product 080450: India exported this product to Saudi Arabia, UAE, Yemen, Netherlands, UK, Kuwait, Oman, USA, Qatar, China etc. Below figure shows the top importers for this product (080450) in the world:

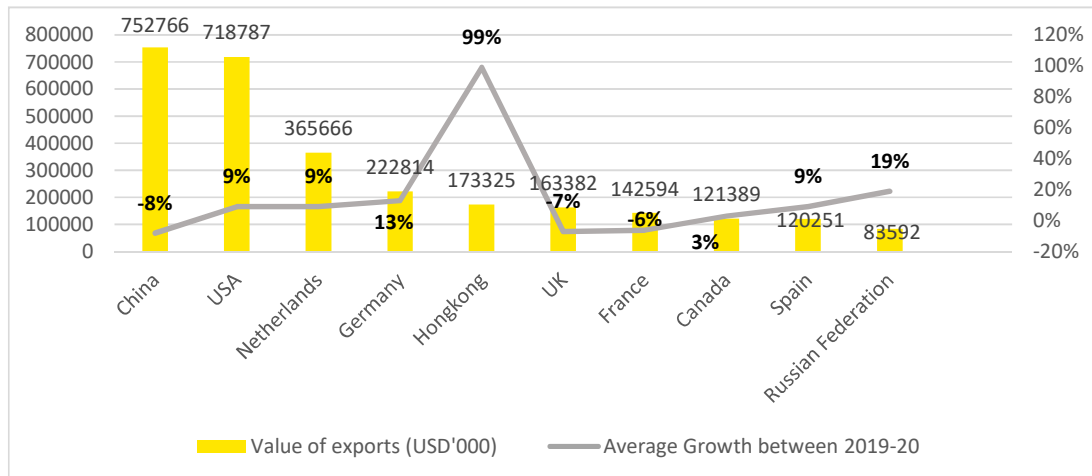


Figure 7: Top importers for this product (080450) in the world¹⁷

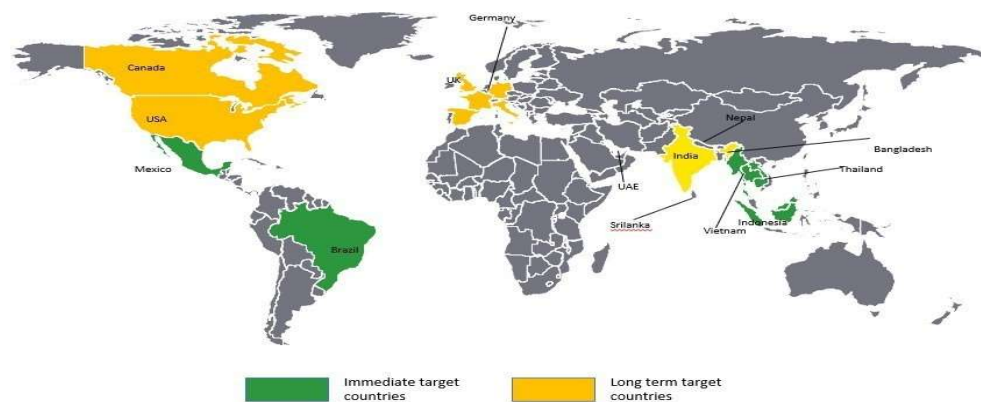


Figure 8: Markets for export potential

5.6 Potential Areas for Value Added Product

Product Diversification – The Industry may focus on export of value-added items like Jams, Juices, Pickles, Powder etc. to generate additional revenue.

5.7 SWOT Analysis

Table 9: SWOT Analysis for Malihabadi Mango

Strengths	Weaknesses
<ul style="list-style-type: none"> ▶ Established Town of Export Excellence provides benefits to mango producers by ensuring participation in international trade fairs and financial assistance under EPCG scheme ▶ Low-price compared to Alphonso attracts large number of buyers ▶ A brand name in itself due to recognition through GI Tag ▶ Improving and enhancing rural economy ▶ Lucknow, lying in the Gangetic plains provides fertile land suitable for farming 	<ul style="list-style-type: none"> ▶ Long cultivation cycle ▶ Lack of chances to grow rotational crops ▶ Lack of modern storage facilities for protecting the produce from calamities ▶ Lack of cooperative organizations for fostering the welfare of farmers ▶ Lack of Awareness about GI Initiative (There is no GI Authorised User) ▶ Distance from Sea Port
Opportunities	Threats
<ul style="list-style-type: none"> ▶ Large scope in domestic and foreign market for expanding sales network ▶ Scope for development of new products like jams, pickles, jellies etc. ▶ Creation of marketing centre with tourist attracting facilities as developed by MAPRO for strawberries in Mahabaleshwar 	<ul style="list-style-type: none"> ▶ Competition within the block level exporters selling the same variety ▶ Fear of damage from calamities and insect attack as it is perishable item ▶ Tough competition with sellers of other mango variety like Alphonso, Kesari etc.

5.8 Challenges and interventions

Parameter	Challenges	Intervention
Warehouse for	<ul style="list-style-type: none"> ▶ Lack of modern storage facilities causes damage of mangoes 	<ul style="list-style-type: none"> ▶ It is proposed to Create a warehouse with modern Storage Facility. Deputy

Parameter	Challenges	Intervention
storage	through natural calamities and insect attacks. This leads to selling of the mangoes at much lower price minimizing the profits for the cluster actors	Commissioner Industries may examine the proposal in consultation with APEDA and Directorate of Agriculture Marketing and Agriculture Foreign Trade, UP. If found feasible, Necessary action may be initiated by DEPC for Creation of same.
Marketing & Branding	<ul style="list-style-type: none"> ▶ Offline marketing is broadly used over online marketing. ▶ Increasing the participation in International Trade fairs ▶ Limited Market diversification ▶ Lack of knowledge of existing schemes and govt. initiatives ▶ Lack of participation in national and international events related to the sector 	<ul style="list-style-type: none"> ▶ Collaboration with E-commerce companies focusing on vegetables and fruit sale like Big Basket, Natures Basket etc. ▶ DIC and FIEO can play a pro-active role in this regard. 10% increase in every year in the number of units taking part in the trade fairs organised by FIEO and other organizations may be proposed as a target under this segment ▶ Conduct awareness workshops at block level to create awareness about schemes like International Cooperation (IC), Market Assistance Scheme (MAS) etc. which provides assistance to individuals/ associations wishing to participate in marketing events ▶ The DGFT/FIEO can set targets for participating in events per year. Example: Participation in at least 3 international events for this sector every year to create foreign linkages and increase
FPO model approach	<ul style="list-style-type: none"> ▶ Challenges in adopting FPO model and cluster-based approach. Export Quality Belt/ Zone to be identified 	<ul style="list-style-type: none"> ▶ It is suggested that on the lines of State Agri Export Policy, FPO model and cluster-based approach be adopted. ▶ As per Agriculture Export Policy of Uttar Pradesh, 2019, the Cluster Facilitation Cell under the Chairmanship of District Magistrate is responsible for defining the areas of Cluster and number of Farmers in the cluster as per suitability and goals of Export Promotion. As per U.P. Govt. GO number 06/2021/1729003/2021 dated 13.08.2021, Mango Cluster has been identified and the number of FPOs to be increased
Post GI Initiative	<ul style="list-style-type: none"> ▶ Lack of promotion of product after being recognised as a GI product 	<ul style="list-style-type: none"> ▶ Target to make 100 authorised users to become IEC holder in a year. (DIC) to identify such stakeholders. ▶ Organise one seminar within two months to apprise the stakeholders about the importance of Geographical Indication (GI) for increasing authorised users. (This can be done by DGFT /APEDA/FIEO/ MSME with the help of DIC)
Organic Product	<ul style="list-style-type: none"> ▶ Unawareness about Export of Organic Products 	<ul style="list-style-type: none"> ▶ APEDA may be asked to apprise the stakeholders about benefits under NPOP

Parameter	Challenges	Intervention
SPS/TBT Standards	<ul style="list-style-type: none"> ▶ Lack of Knowledge about SPS/TBT standards 	<ul style="list-style-type: none"> ▶ Awareness program by the DGFT/ APEDA ▶ Focus should be on providing the information about SPS / TBT issues with respect to the countries having Significant Global Demand. ▶ The District Industry Centre in consultation with regional DGFT officer & APEDA may chalk out the programme on quarterly basis to train and educate cultivators and other stake holders about SPS/ technical standards in international markets.
Exporter's issue	<ul style="list-style-type: none"> ▶ No focal point to address exporters issues. 	<ul style="list-style-type: none"> ▶ DIEPC to act as a focal point for all exporters issues. Deputy Commissioner Industries may be given this responsibility to monitor the cell in consultation with DGFT.
Cost Structure	<ul style="list-style-type: none"> ▶ U.P. is a land-locked state. India's cost of logistics is one of the highest in the world. ▶ Since the start of Covid 19 Pandemic, the availability of containers and the Freight Charges by the Shipping lines has been the main concern of the industry 	<ul style="list-style-type: none"> ▶ The DIC office should organize workshops for exporters to apprise them about Foreign Trade Policy benefits and Export Promotion Scheme of the Department of MSME & Export Promotion, UP. ▶ The Exporter's may be made aware of freight subsidy schemes such as Transport and Market Assistance by DGFT and Freight Subsidy Scheme provided by Directorate of Agriculture Marketing and Agriculture Foreign Trade, UP / UP Export Promotion Bureau. ▶ The CONCOR rates are to be made available at regular intervals to the DIC office for updation of the same at the district website. The formation of the Sub-committee comprising the representative of CONCOR and Deputy Commissioner Industries to understand the issue and suggest ways to help Industry. Ease of Logistics portal of FIEO has been developed to provide information about container availability and issues relating to it. The industry may be informed of this portal.

5.9 Future Outcomes

Annual Turnover
Increase in annual turnover from existing INR 64 lakhs to 5 Cr. by 2025.

Cluster exports
Substantial growth in cluster exports expected to be more than INR 2 cr. by 2025.

6. Product 3: Engineering Goods

6.1 Cluster Overview

The state is a leading producer in manufacturing engineering goods. Several Engineering & Auto components are manufactured in Lucknow, Noida & Ghaziabad. There are more than 2,500 units involved in manufacturing of engineering goods in Lucknow.

Some of the large-scale industries in the district are Hindustan Aeronautics Limited, Faizabad Road, Scooter India Ltd, Sarojini Nagar Industrial Estate, Lucknow, Tata Motors Ltd, Deva Road, Chinhat, Lucknow.

6.2 Product Profile

The demand for engineering goods is generated both domestically and internationally. There are multiple engineering goods manufacturers in Lucknow, who export their products to Italy, Germany, UK etc. The product portfolio of the cluster is well diversified. However, export is undertaken through only 2 codes unlike the Ghaziabad cluster which undertake its exports under 50 NIC codes.

The engineering goods industry in Lucknow is quite old and well-established thus, most of the units have a set marketing/ distribution network, which has benefitted them for years. These networks help these units supply their products to retailers around the country. It is very common for units which follow the order-based business model to get repeat orders.

6.2.1 Product Portfolio

Engineering Goods has multiple products under this sector. The key products are:

- ▶ Basic iron and steel products (hot-rolled and cold-rolled products, tube and tube fittings, railway track materials (unassembled rails), wire by cold drawing or stretching)
- ▶ Casted iron and steel products (tubes, pipes and hollow profiles and tube or pipe fittings)
- ▶ Structural metal products (Metal doors, windows and frames, shutters, gates, similar articles used on buildings; metal frameworks or skeletons for construction; industrial frameworks in metal)
- ▶ Tanks, reservoirs, and containers of metal (for compressed or liquefied gas, central heating boilers and radiators, parts, and accessories)
- ▶ Auxiliary plants for use with boiler (condensers, economizers, superheaters, steam collectors and accumulators)
- ▶ Metalworking service activities (forging, pressing, stamping, and roll-forming of metal; powder metallurgy; machining; treatment (hardening, boring, turning, milling, grinding, welding, etc.) and coating of metals)
- ▶ Ingot Moulds
- ▶ Cutlery, hand tools (for agricultural/ horticulture/ forestry), hand tools such as pliers, screwdrivers, and general hardware (locks/ keys, hinges, saws, clamps, etc.), hardware for buildings, vehicles etc.
- ▶ Assembled railway track fixtures
- ▶ Other fabricated metal products
- ▶ Metal fasteners (non-threaded - nails, washers, etc.) and (threaded nuts, bolts, screws, etc.)
- ▶ Metal containers (tins/ cans)
- ▶ Wire ropes, metal cables and other articles made of wire
- ▶ Metal household articles - hollowware (pots, kettles etc.), dinnerware (bowls, platters, etc.) or flatware (plates, saucers etc.)
- ▶ Metal sanitaryware such as baths, sinks, washbasins, and similar articles
- ▶ Metal reinforced safes, vaults, strong room doors, gates, and metal goods
- ▶ Metal parts of electric transformers, ballasts, electric motors
- ▶ Electronic and electric insulated wires/ cables (made of steel, copper, aluminium)
- ▶ Engines and turbines (except aircraft, vehicle, and cycle engines)

- ▶ Components for IC engines (pistons, piston rings, carburettors, inlet, and exhaust valves) and turbines
- ▶ Fluid power equipment (hydraulic and pneumatic components (pumps, motors, cylinders, valves, hose, and fittings), pneumatic air preparation equipment, hydraulic transmission equipment)
- ▶ Hand pumps, other metal pumps, compressors, taps and valves etc.
- ▶ Metal bearings, gears, gearing and driving elements
- ▶ Ovens, furnaces, and furnace burners
- ▶ Lifting and handling equipment (lifts, escalators and moving walkways)
- ▶ Agricultural and forestry machinery and metal parts (tractors, ploughs, Seeders, harvesting or threshing machinery)
- ▶ Metal-forming machinery and machine tools for turning, drilling, milling, etc.
- ▶ Machinery for metallurgy
- ▶ Machinery for mining, quarrying and construction (concrete and mortar mixers, etc.) and metal parts and accessories
- ▶ Machinery for textile, apparel, and leather production (for spinning, looms, knitting, sewing, leather production)
- ▶ Other special-purpose machinery (paper, paperboard, working soft rubber or plastics)
- ▶ Motor vehicle engines and motor vehicles metal parts and accessories (brakes, gearboxes, axles, wheels, etc.)
- ▶ Bodies (coachwork) and metal attachments for motor vehicles
- ▶ Metal sections of ships
- ▶ Electric, diesel, steam and other rail locomotives and rolling stock, and their specialized parts
- ▶ Metal parts and accessories of motorcycles, scooters, mopeds, three wheelers, side cars etc. and their engine
- ▶ Non-motorized metal bicycles and other cycles, including cycle rickshaws, (delivery) tricycles, baby, and invalid carriages, etc. and their metal parts and accessories for bicycles, cycle -rickshaws and invalid carriages
- ▶ Metal furniture

6.3 Cluster Stakeholders

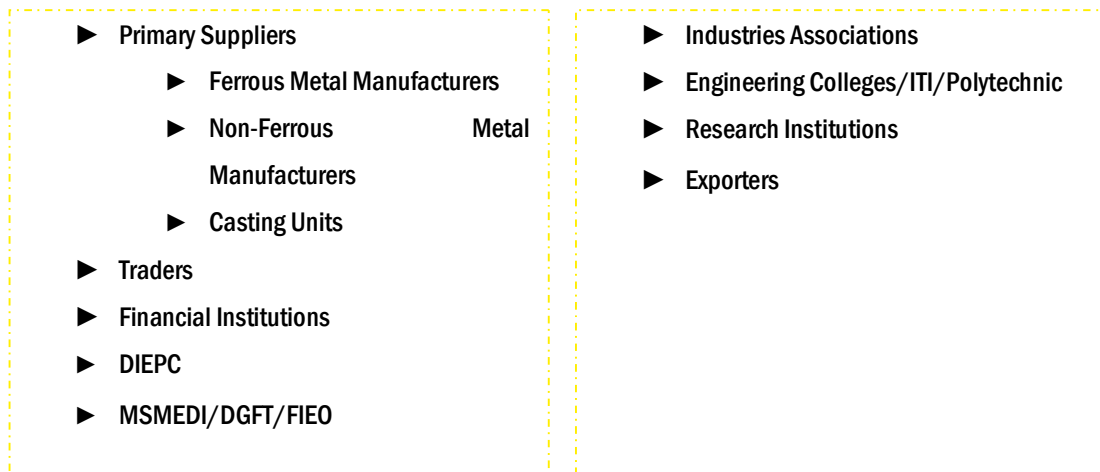


Figure 9: Cluster Stakeholders

6.3.1 Industry Associations

The cluster comprises of support institutions that can be broadly classified into three categories – trade and industry association, educational and training institutions, and other institutions. The trade and industry associations assist industries in the cluster in getting clearances and approvals, solving issues regarding industrial infrastructure, providing information on latest government schemes etc. Educational and training

institute provide training to labours and assist in addressing availability of skilled labour. Other institutions comprise banks and logistics service providers.

Following are main Industry Associations that are working for the development of Engineering Goods sector:

- ▶ Indian Industries Association (IIA)
- ▶ Engineering Export Promotion Council (EEPC)
- ▶ All India Manufacturers' Organization (AIMO)
- ▶ Exporters Association
- ▶ Industrial Area Manufacturers' Association (AIMA)
- ▶ The Associated Chambers of Commerce and Industry of India (ASSOCHAM)
- ▶ Confederation of Indian Industry (CII)
- ▶ Federation of Indian Chambers of Commerce & Industry (FICCI)

6.4 Export Scenario

6.4.1 HS Code

HS codes under which the product is exported from the district

HS Code	Description
732599	Cast articles of iron or steel, n.e.s (excluding articles of non-malleable cast iron, and grinding balls, and similar articles for mills)
870423	Motor vehicles for the transport of goods, with compression-ignition internal combustion piston engine "diesel or semi-diesel engine" of a gross vehicle weight > 20 t

Current Scenario

The export scenario of World and India have been analysed basis the export statistics of HS codes 732599 & 870423 under which engineering goods are exported. Alongside are the key facts pertaining to the analysed product code.¹⁸

6.5 Export Potential

- ▶ The total exports of Engineering Goods from Lucknow district as per HS code 732599 & 870423 is around INR 269.29 crores in financial year 2021-22.¹⁹
- ▶ India's exports represent 4.21% of world exports for this product, its ranking in world exports is 1 under HS code 732599 and 19 under HS Code 870423.

Key Fact of Export

18,104,690 (USD Thousand)

Value of world exports in 2020

7,58,148 (USD Thousand)

Total Exports from India in 2020

17,780 (USD Thousand)

Total export from UP in 2020

2.35%

Share of UP in India's exports

Product 732599: India exported this product to USA, Germany, Italy, UK, Canada, UAE, Belgium, France, Czech Republic etc. Below figure shows the top importers for this product are:

¹⁸ www.trademap.org

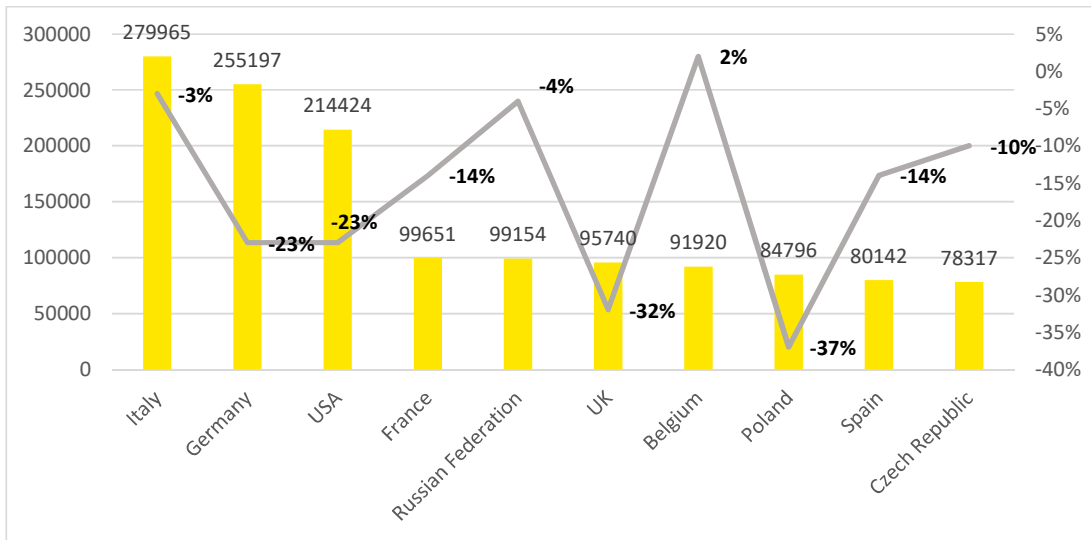


Figure 10: Top importers for this product (732599) in the world¹⁸



Figure 11: Markets for export potential

Table 10: Target Export market for Engineering Goods

Product Category	Product Market
Ferrous Casting	North America, Germany, France, Italy, UK, Japan, Mexico, Thailand
Steel Forging	North America, Germany, UK, Italy, France, Mexico, China, Japan, Thailand, Middle East
Pipes, Tubes and Fittings	Middle East, US, Canada, Nigeria, Angola, Norway, Finland, UK, Germany, France, Australia
Industrial Fasteners	Germany, North America, Italy, UK, France, Netherlands, Mexico, Thailand
Valves	US, Canada, Germany, France, UK, Russia, GCC, Mexico, Brazil, and ASEAN countries
Bearings	Germany, USA, Italy, France, Canada, Mexico, Thailand, Indonesia
Machine Tools	Turkey, ASEAN countries, Mexico, Brazil, USA, Canada, China
Auto Components	US, Germany, Canada, Japan, Mexico, Italy, UK, Thailand

Hand and Power Tool	US, Canada, UK
Textile Machineries	Bangladesh, Vietnam, Turkey, Indonesia, Brazil

6.6 Potential Areas for Development

The following are the key areas for development of the product category and the cluster:

- ▶ Creation of strong linkages with Government departments like Railway, Defense, Aerospace etc. for them to act as permanent buyers
- ▶ Focus on creation of product prototypes basis sectors of potential buyers and their demand
- ▶ Improving the competitiveness, product quality, efficiency of the cluster etc., by incorporating lean manufacturing, Zero Defect Zero Effect techniques etc. Schemes such as CLCS-TUS of DC-MSME can be utilized for the same

6.7 SWOT Analysis

Table 11: SWOT Analysis for Engineering Goods

Strengths	Weaknesses
<ul style="list-style-type: none"> ▶ Geographic location conducive for undertaking global trade as the district has easy access to metropolitan cities, ports and is near to other developed industrial areas in the state ▶ Easy availability of cheap and skilled labour ▶ Available assistance in forms of finance, land cost subsidy, interest subsidy etc. for fostering the ecosystem and expanding the production 	<ul style="list-style-type: none"> ▶ Lack of proper infrastructure facilities in industrial areas in terms of production facilities and connecting roads ▶ Lack of investment and focus on R&D ▶ Lack of permanent buyers ▶ The machineries used in this sector is often expensive and the banks don't tend to lend credit frequently to change the technology/ machinery ▶ Shortage of Shipping Containers
Opportunities	Threats
<ul style="list-style-type: none"> ▶ Big scope in domestic and foreign market ▶ Scope for development of new products ▶ Increased focus of government for expanding operations and increasing exports as it has been recognized as one of the sunrise sector 	<ul style="list-style-type: none"> ▶ Chinese domination and proved establishment in the International Market ▶ Frequent changes in raw material prices

6.8 Challenges and interventions

Parameter	Challenges	Intervention
Warehouse for raw material	<ul style="list-style-type: none"> ▶ While the raw material i.e., Metal Sheets and Plastic Granules are manufactured by large industries like SAIL, TATA, JSW, Reliance etc., raw material are procured by MSMEs from third party suppliers at expensive rates. This is mainly due to lack of scale to match minimum quantities as mandated by the large manufacturers 	<ul style="list-style-type: none"> ▶ Ensuring procurement of quality raw materials from Ghaziabad, Gurugram etc. ▶ Establishment of a RMB to ensure availability of raw materials at affordable prices and portal for better tracking of raw material purchased. ▶ The cost of sourcing raw materials from raw material depot at par with local market

Parameter	Challenges	Intervention
	<ul style="list-style-type: none"> ▶ Frequent changes in the pricing of raw material often disrupts the production cycle 	
Infrastructure development	<ul style="list-style-type: none"> ▶ Site infrastructure needs a comprehensive overhaul ▶ There is no efficient mechanism in most industrial areas to dispose of industrial solid waste (ISW). Majority of the generated waste is either dumped on roads, local water bodies or is burnt causing land, water, and air pollution 	<ul style="list-style-type: none"> ▶ Setting up of a common effluent treatment plant to minimize pollution caused by disposal of untreated ISW ▶ Development of an Industrial Estate Management Authority for maintenance of the industrial infrastructure
Marketing & promotion of products	<ul style="list-style-type: none"> ▶ Lack of strong linkages with permanent buyers ▶ Lack of knowledge of existing schemes and govt. initiatives ▶ Lack of participation in national and international events related to the sector 	<ul style="list-style-type: none"> ▶ Creation of linkages with various govt. bodies like railway, defense, aerospace etc. for acting as a permanent buyer ▶ Sensitization of cluster actors about Performance Linked Incentive initiative of the government under the Atmanirbhar Bharat Abhiyan and the Make in India initiative which envisages to increase productivity, expand operations and initiate/ widen export opportunities for select sectors ▶ Conduct awareness workshops at block level to create awareness about schemes like International Cooperation (IC), Market Assistance Scheme (MAS) etc. which provides assistance to individuals/ associations wishing to participate in marketing events ▶ The DGFT/FIEO can set targets for participating in events per year. Example: Participation in at least 3 international events for this sector every year to create foreign linkages and increase ▶ Suggesting measures to the UPEPB for State Export Promotion Policy towards enhancing export of Engineering goods.
Access to finance	<ul style="list-style-type: none"> ▶ Frequent changes in raw material prices often disrupts the working capital which is neglected by banks while lending credit ▶ The machineries used in this sector is often expensive and the banks don't tend to lend credit frequently to change the technology/ machinery and in case the MSMEs don't upgrade the machinery, they tend to lose out on orders, and it becomes 	<ul style="list-style-type: none"> ▶ Sensitization of banks and bankers to help them understand the niche sectors of MSME and their specific requirements which shall help banks evaluate projects better while lending credit ▶ Introduction of revolving working capital within the cluster to help MSMEs procure raw materials and undertake production without hinderances ▶ Tie up with the banks/financial institutions for better interest rates, enhanced working capital limits etc.

Parameter	Challenges	Intervention
	difficult to stay relevant in market	<ul style="list-style-type: none"> ▶ Handholding of MSMEs for increasing their awareness on schemes of state & centre and the procedure to apply to avail financial assistance
Cost Structure	<ul style="list-style-type: none"> ▶ U.P. is a land-locked state. India's cost of logistics is one of the highest in the world. ▶ Since the start of Covid 19 Pandemic, the availability of containers and the Freight Charges by the Shipping lines has been the main concern of the industry 	<ul style="list-style-type: none"> ▶ The DIC office should organize workshops for exporters to apprise them about Foreign Trade Policy benefits viz. Duty Exemption Scheme / Advance Authorization Scheme / Duty Free Import Authorization Scheme. ▶ The DIC office should organize workshops for exporters to apprise about Export Promotion Scheme of the Department of MSME & Export Promotion, UP such as Market Development Assistant (MDA), Financial Assistance for Foreign fairs/exhibition, Financial Assistance for sending samples to foreign buyers, Subsidy on freight charges upto gate way port Air Freight Rationalisation Scheme etc. ▶ The CONCOR rates are to be made available at regular intervals to the DIC office for updation of the same at the district website. ▶ The formation of the Sub-committee comprising the representative of CONCOR and Deputy Commissioner Industries to understand the issue and suggest ways to help Industry. Ease of Logistics portal of FIEO has been developed to provide information about container availability and issues relating to it. The industry may be informed of this portal.

6.9 Future Outcomes

Annual Turnover
Increase in annual turnover by 10% annually from existing with the help of financial outreach of government programmes and other interventions.

Cluster exports
Substantial growth in cluster exports expected to grow by 5% annually by 2025.

7. Product 4: Agriculture Products (Rice, Sugar and Wheat)

7.1 Cluster Overview

The state is a leading producer in agriculture products like rice, wheat, sugarcane etc. The economy of the cluster is heavily dependent on agriculture products. Approximate Export turnover of the Rice, Sugar and wheat is INR 76.58 Cr, 64.35 Cr and 85.55 Cr respectively.²⁰

The export data is not being captured as exporter's are not aware of correct HS code and most of Exports is taking place indirectly, hence the origin of state is also not being mentioned by the Exporters.

7.2 Product Profile

Rice: Any rice other than Basmati Rice is named as non-Basmati rice. In the world it has been reported that there are over 10,000 varieties of rice and out of which the maximum number are in India.

Sugar: Currently, about 110 countries produce sugar from either cane or beet, and eight countries produce sugar from both cane and beet. Sugarcane, on average, accounts for 80% of global sugar production. Last October/September season the major sugar producing countries (India, Brazil, EU-28, Thailand, China, USA, Russia, Mexico, Pakistan, Australia) accounted for nearly 70% of global output.²¹

Wheat: Wheat cultivation in India traditionally been dominated by the northern region of India. While this cereal grass has been studied carefully in the past, recent years of painstaking research by India's finest scientific talent has paid off with the development of distinctly superior varieties of Durum Wheat.

This hard wheat is cultivated in clayey soil and is highly sought after for its physical characteristics. Its high gluten strength and uniform golden colour makes it ideal for bread making and pasta preparation unlike the softer commercially high yielding wheat, which lacks the strength and consistency of durum. Today, India is exporting enough of all types of wheat and extensive research efforts are underway for improving its cereals and grain output in the years to come. Wheat cultivation has traditionally been dominated by the northern region of India. With a production reaching ten times in past five years, India is today the second largest wheat producer in the entire world. Various studies and research show that wheat and wheat flour play an increasingly significant role in the management of India's food economy.

7.2.1 Product Portfolio

Rice: Multiple varieties of rice exist including short-grain, medium-grain, and long-grain varieties.

Sugar: Sugar crops offer production alternatives to food, such as livestock feed, fibre, and energy, particularly biofuels (sugar-based ethanol) and co-generation of electricity (cane bagasse). Sugarcane is regarded as one of the most significant and efficient sources of biomass for biofuel production. A wide range of environmental and social issues relate to sugar production and processing, and sugar crop growers, processors, plus energy and food companies, are seeking ways to address concerns related to sugar production, biofuels, and sustainability.

Wheat: The main varieties of wheat grown in India are as follows VL-832, VL-804, HS-365, HS-240, HD2687, WH-147, WH-542, PBW-343, WH-896(d), PDW-233(d), UP-2338, PBW-502, Shresth (HD 2687), Aditya (HD 2781), HW-2044, HW-1085, NP-200(di), HW-741.

²⁰ DGFT, Kanpur

²¹ <https://www.isosugar.org/sugarsector/sugar>

7.3 Cluster Stakeholders (Rice, Sugar and Wheat)



Figure 12: Cluster Stakeholders

7.3.1 Industry Associations (Rice, Sugar and Wheat)

Following are principal Industry Associations that are working for the development of Rice:

- ▶ Directorate of Agriculture Marketing and Agriculture Foreign Trade, UP
- ▶ Agriculture and Processed Food Products Export Development Authority (APEDA)
- ▶ Indian Council of Agricultural Research (ICAR)
- ▶ Indian Institute of Sugarcane Research (IISR)
- ▶ National Sugar Institute, Kanpur
- ▶ Agriculture Department
- ▶ Krishi Vigyan Kendra (KVK)
- ▶ Indian Industries Association (IIA)
- ▶ Rice Export Promotion Forum (REPF)
- ▶ Participatory Rural Development Foundation (PRDF) - PRDF is a Gorakhpur based philanthropic organisation founded Dr. Ram Chet Chaudhary, a leading Agri-scientist working for the benefit of farming community of North India
- ▶ International Rice Research Institute (IRRI) - world's premier research organization dedicated to reducing poverty and hunger through rice science; improving the health and welfare of rice farmers and consumers; and protecting the rice-growing environment for future generations
- ▶ National Rice Research Institute, Cuttack (NRI) - The National Rice Research Institute is located in Cuttack in Odisha state. The basic objective of institute is to conduct basic, applied, and adaptive research on crop improvement and resource management for increasing and stabilizing rice productivity in different rice ecosystems with special emphasis on rainfed ecosystems and the related abiotic stresses
- ▶ U.P. Council of Agricultural Research (UPCAR) - The UPCAR is an autonomous apex state organisation registered as a society, which plans, co-ordinates and promotes research, education, training, and transfer of technology for advancement of agriculture and allied sciences. The UPCAR was established on June 14, 1989, with its headquarters at Lucknow.

7.4 Export Scenario

7.4.1 HS Code

HS codes under which the product is exported from the district.²²

HS Code	Description
---------	-------------

²² DGFT, Kanpur

100630	Semi-milled or wholly milled rice, whether or not polished or glazed
170114	Raw cane sugar, in solid form, not containing added flavouring or colouring matter
170199	Cane or beet sugar and chemically pure sucrose, in solid form (excluding cane and beet sugar containing added flavouring or colouring and raw sugar)
100199	Wheat and meslin (excluding seed for sowing, and durum wheat)

7.4.2 Rice

Current Scenario

The export scenario of World and India have been analysed basis the export statistics of HS code 100630 (Semi-milled or wholly milled rice, whether or not polished or glazed) under which non-Basmati rice is exported from Lucknow district. Alongside are the key facts pertaining to the analysed product code.²³



7.4.3 Sugar

Current Scenario

World sugar trade averages about 64 mln tonnes/year. Raw sugar accounts for around 60% of internationally trades volumes. Although many countries produce sugar, top five exporters (Brazil, Thailand, EU, Australia, India) were responsible on average for 70% of the world trade in 2016-18. Brazil, as the largest producing and exporting country in the world, dominates world trade, accounting for about 45% of global exports. Indonesia, China the United States were world's largest importing nations in 2018.

The export scenario of World and India have been analysed basis the export statistics of HS code 170114 (Raw cane sugar, in solid form, not containing added flavouring or colouring matter) & 170199 (Cane or beet sugar and chemically pure sucrose, in solid form (excluding cane and beet sugar containing added flavouring or colouring and raw sugar) under which Sugar is exported from Lucknow district. Alongside are the key facts pertaining to the analysed product code.²³



7.4.4 Wheat



²³ www.trademap.org

Current Scenario

The export scenario of World and India have been analysed basis the export statistics of HS code 100199 (Wheat and meslin (excluding seed for sowing, and durum wheat)) under which wheat is exported from Lucknow district. Alongside are the key facts pertaining to the analysed product code.²⁴

7.5 Export Potential

1. Rice: HS Code 100630 (Semi-milled or wholly milled rice, whether or not polished or glazed)

- ▶ The total exports of product from Lucknow district as per HS code 100630 are around INR 76.58 crores in the financial year 2021-22.²⁵
- ▶ India's exports represent 36.28% of world exports for this product, its ranking in world exports is 1.
- ▶ India exported this product to Iran, Indonesia, Malaysia, Bangladesh, Yemen, China, Saudi Arabia, Sri Lanka, USA, Nepal etc.

Below figure shows the top importers for this product (100630) in the world:

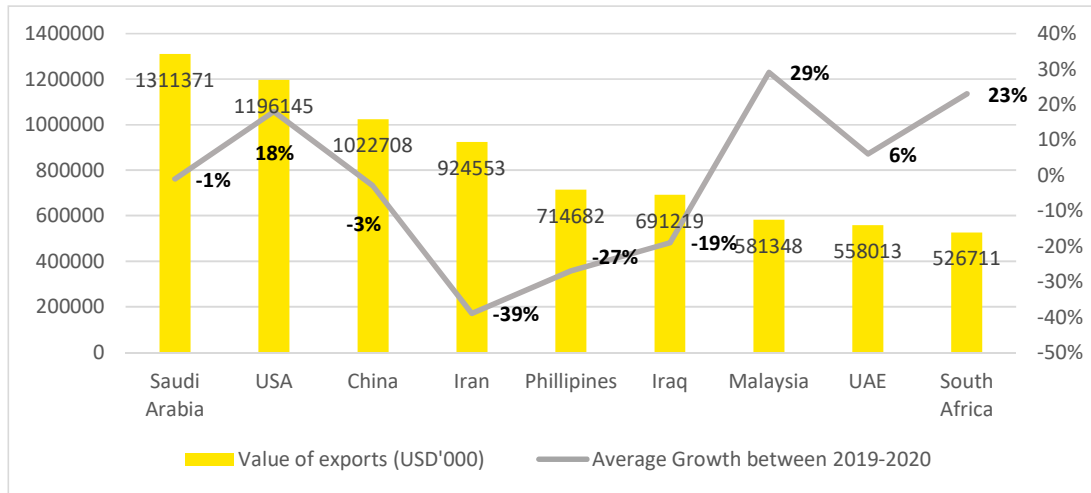


Figure 13: Top importers for this product (100630) in the world²⁴

²⁴ www.trademap.org

²⁵ DGFT, Kanpur



Figure 14: Markets for export potential

2. Sugar: Product 170114 (Raw cane sugar, in solid form, not containing added flavouring or colouring matter) & 170199 (Cane or beet sugar and chemically pure sucrose, in solid form (excluding cane and beet sugar containing added flavouring or colouring and raw sugar))

- ▶ The total exports of product from Lucknow district as per HS code 170114 & 170199 are around INR 64.35 crores in the financial year 2021-22.²⁶
- ▶ India's exports represent 4.6% for HS Code 170114 and 16% for HS Code 170199 of world exports for this product, its ranking in world exports is 3 & 1 for respective HS codes.
- ▶ India exported this product to Iran, Indonesia, Malaysia, Bangladesh, Yemen, China, Saudi Arabia, Sri Lanka, USA, Nepal etc.

Below figure shows the top importers for this product (170114) in the world:

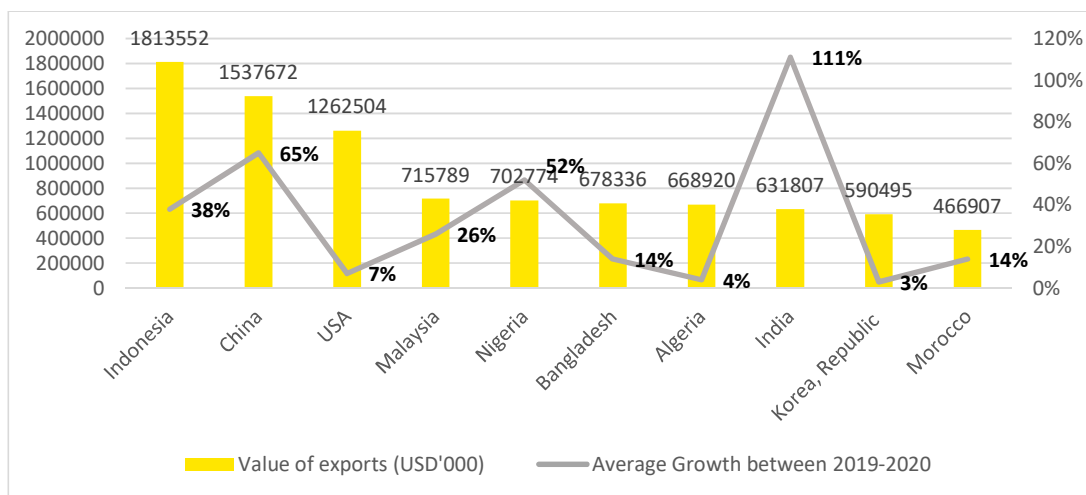


Figure 15: Top importers for this product (170114) in the world²⁷

²⁶ DGFT, Kanpur

²⁷ www.trademap.org



Figure 16: Markets for export potential

3. Wheat: Product 100199 (Wheat and meslin (excluding seed for sowing, and durum wheat))

- ▶ The total exports of product from Lucknow district as per HS code 100199 is around INR 85.55 crores in the financial year 2021-22.²⁸
- ▶ India's exports represent 0.6% of world exports for this product, its ranking in world exports is 17.
- ▶ India exported this product to Bangladesh, Nepal, UAE, Afghanistan, Sri Lanka, Qatar, Somalia, Malaysia etc.

Below figure shows the top importers for this product (100199) in the world:

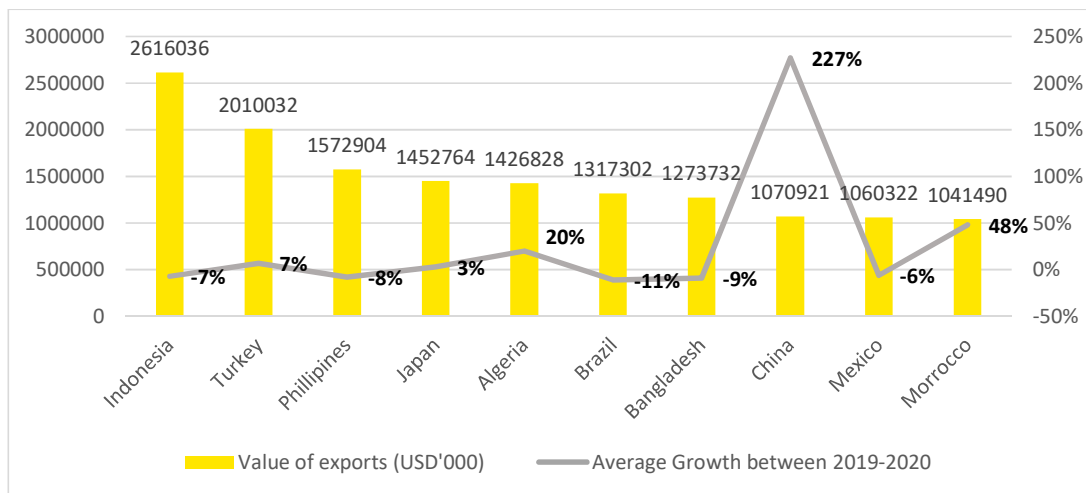


Figure 17: Top importers for this product (100199) in the world²⁹

²⁸ DGFT, Kanpur

²⁹ www.trademap.org



Figure 18: Markets for export potential

7.6 Potential Areas for Value Added Product

Rice: Product Diversification is one of the most crucial product uplifting strategies which in turn is an important part of a product's export. Currently, only the grains of rice are being sold directly in the market. Knowing the health benefits of the product an initiative can be made for product diversification to manufacture value added products such as *chiwda, poha, brown rice, rice noodles, idli & dosa batter*.

The broken rice can be used to **create flour**. Rice flour is gluten-free; therefore, it is an alternative for producing gluten-free products. Rice flour is also hypoallergenic. Thus, it can be utilized for producing baby food, puddings, and other food products. Due to the decreased risk for people with sensitivities, food companies prefer rice flour to other varieties of flour. Thus, it is economically justifiable to grind broken rice to produce flour for such applications.

With adequate upgradation of technology in the cluster the farmers/ millers can sell by-products and generate additional income by manufacturing by-products from Rice Husks, Brans and Straws; the following are their uses:

<u>Rice Husk Use</u>	<u>Rice Bran Use</u>
▶ Fuel	▶ Edible grade oil
▶ Gaseous Fuel	▶ Industrial grade crude oil
▶ Husk Briquette	▶ Free fatty acid manufacture
▶ Husk Board	▶ Plasticizers
▶ Furfural	▶ Tocopherol
	▶ Rice bran wax

Wheat: Focus on production of **flour, cracked wheat, cereals, cookies etc.**

7.7 SWOT Analysis

Table 12: SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> ▶ Improving and enhancing rural economy ▶ Lucknow, lying in the Gangetic plains provides fertile land suitable for farming ▶ Availability of cheap and skilled labor for farming ▶ Availability of various financial and non-financial assistances from state and central government pertaining to agriculture 	<ul style="list-style-type: none"> ▶ Lack of proper infrastructure facilities for storage and manufacture of additional products ▶ Rice and Sugar mills have not been fully modernized ▶ Due to lack of timely upgradation of rice mills, a large percentage of the produce is often discarded as it is termed as broken rice which is not suitable for sale ▶ High transportation cost for export of the product ▶ Shortage of Shipping Containers
Opportunities	Threats
<ul style="list-style-type: none"> ▶ Large scope for expanding sales network-globally and locally ▶ Scope for product diversification for generating additional revenue ▶ Potential for Organic farming, Contract farming and Zero Budget Natural Farming (ZBNF) for reducing risk and increased production & revenue 	<ul style="list-style-type: none"> ▶ Cost of production in exporting countries like Thailand, Vietnam and Pakistan is low as compared to India ▶ Fear of damage from calamities and insect attack as it is perishable item

7.8 Challenges and interventions

Parameter	Challenges	Intervention
Focus on high Yielding Export Quality Rice	<ul style="list-style-type: none"> ▶ Challenges in developing high yielding export quality rice (Non-Basmati, Long grain rice) 	<ul style="list-style-type: none"> ▶ Export Quality varieties should be identified as per demand in Target Export Market with the help of Directorate of Agriculture Marketing and Agriculture Foreign Trade, UP and APEDA. ▶ Identification of Agency for distribution of High Yield Export Quality Varieties in identified Cluster under State Agriculture Export Policy, 2019 by Directorate of Agriculture Marketing and Agriculture Foreign Trade, UP and APEDA ▶ Breeding programme may be initiated to develop high yielding export quality rice (Non-Basmati, Long Grain Rice, etc.) to enable the exporters to sustain their exports in future. Proper arrangements may be made for production of pure quality seeds and making them available to the farmers at subsidized rates/ reasonable rates
Cluster based	<ul style="list-style-type: none"> ▶ Setting up of export quality belts/zones 	<ul style="list-style-type: none"> ▶ As per Agriculture Export Policy of Uttar Pradesh, 2019, the Cluster Facilitation Cell

Parameter	Challenges	Intervention
approach		<p>under the Chairmanship of District Magistrate is responsible for defining the areas of Cluster and number of Farmers in the cluster of as per suitability and goals of Export Promotion. As per U.P. Govt. GO number 06/2021/1729003/2021 dated 13.08.2021 Rice Cluster has been identified in Lucknow. The District Level Cluster Committee may be requested to examine the feasibility of identification of cluster for RICE Cluster and forwarding suitable proposal to the concerned Authority under Policy</p> <ul style="list-style-type: none"> ▶ To identify export quality belts/zones for production of rice to meet the requirement of exports. As per Agriculture Export Policy of Uttar Pradesh, 2019, the cluster facilitation cell under the chairmanship of District Magistrate is responsible for defining the area of Cluster and number of Farmers/FPOs/FPCs in the cluster as per suitability and goals of export promotion ▶ Members of District Level Cluster Facilitation Cell under State Agro Export Policy may be co-opted in the district level Export Committee in 2 month
Promotion of export of organic produce	<ul style="list-style-type: none"> ▶ Unawareness about promoting organic products 	<ul style="list-style-type: none"> ▶ It is suggested that special efforts should be made to promote the export of organic product such as Rice and sugar from the district.
Training program to educate the cultivators	<ul style="list-style-type: none"> ▶ Unawareness about technical standards in international market 	<ul style="list-style-type: none"> ▶ Training on efficient use of Soil Health Card in line with the recommendations given by the authorized testing laboratories like ICAR-IISR lab Lucknow for soil, water, and plant analysis. ▶ The District Industry Centre in consultation with regional DGFT officer & APEDA may chalk out the program on quarterly basis to train and education cultivators and other stake holders about SPS/ technical standards in international markets. ▶ Quarterly/Half-yearly workshop may be organized with FPOs, farmers, sugar industries etc. to update about emerging practices and technologies in sugar sector as per the Sugar Technology division of NSI, Kanpur.
SPS/TBT programmes	<ul style="list-style-type: none"> ▶ Unawareness about SPS/TBT standards 	<ul style="list-style-type: none"> ▶ Focus should be on providing the information about SPS/TBT issues with respect to the countries having Significant Global Demand.
Distribution of	<ul style="list-style-type: none"> ▶ Challenges in distribution of 	<ul style="list-style-type: none"> ▶ Distribution of Certified seeds to farmers

Parameter	Challenges	Intervention
Certified seeds	certified seeds	partially through Krishi Vigyan Kendra (KVK) of Lucknow and Farmer Producers Organisation
Use of Modern technologies	<ul style="list-style-type: none"> ▶ Unawareness about use of modern technology to reduce costs and increase production 	<ul style="list-style-type: none"> ▶ Low-cost production technology may be developed (use best practices) to bring down the cost of production to enable the exporters to compete with competing countries in the international markets. State Agriculture department may take the help of State Agriculture Universities / other technical institutes of repute.
Use of Modernized Rice & Sugar Mills	<ul style="list-style-type: none"> ▶ Many rice mill owners are not using modernized rice mills for better recovery and reducing the percentage of broken rice. ▶ Similarly, many of the sugar mill owners are not using modern machinery due to higher cost of machinery 	<ul style="list-style-type: none"> ▶ Rice and sugar mills have not been fully modernized to ensure high milling recovery and reduce the percentage of broken rice. The conventional rice mills are having Rubber Roll Sheller in which percentage of broken rice is more than the modern rice mills that are having under Runner Sheller. Hence, head rice obtained from milling of conventional mills becomes costly due to recovery of higher percentage of broken rice. Therefore, conventional mills are required to be modernized to get recovery of higher percentage of head rice suitable for export. ▶ Sugar mill owners make use of Government schemes for upgradation of their mills.
Marketing & of products	<ul style="list-style-type: none"> ▶ Offline marketing is broadly used over online marketing. ▶ Increasing the participation in International Trade fairs ▶ Limited Market diversification ▶ Lack of knowledge of existing schemes and govt. initiatives ▶ Lack of participation in national and international events related to the sector 	<ul style="list-style-type: none"> ▶ Collaboration with E-commerce companies focusing on vegetables and fruit sale like Big Basket, Natures Basket etc. ▶ DIC and FIEO can play a pro-active role in this regard. 10% increase in every year in the number of units taking part in the trade fairs organised by FIEO and other organizations may be proposed as a target under this segment ▶ Conduct awareness workshops at block level to create awareness about schemes like International Cooperation (IC), Market Assistance Scheme (MAS) etc. which provides assistance to individuals/ associations wishing to participate in marketing events ▶ The DGFT/FIEO can set targets for participating in events per year. Example: Participation in at least 3 international events for this sector every year to create foreign linkages and increase
Access to Finance	<ul style="list-style-type: none"> ▶ Shortage of working capital to farmers given long cultivation cycle of agri products ▶ The linkages with banks and 	<ul style="list-style-type: none"> ▶ Tie up with the banks/financial institutions for better interest rates, enhanced working capital limits etc. ▶ Handholding of units in the cluster to create

Parameter	Challenges	Intervention
	<p>financial institution in the cluster are not well established</p> <ul style="list-style-type: none"> ▶ High quality, genetically modified seeds are often expensive, and farmers do not have enough capital/ credit to purchase those directly 	<p>awareness about financing schemes</p> <ul style="list-style-type: none"> ▶ Introduction of revolving working capital within the cluster to help farmers procure high quality seeds and fertilizers and undertake production without hinderances
Exporter's issue	<ul style="list-style-type: none"> ▶ DEPC to act as a focal point for all exporters issue 	<ul style="list-style-type: none"> ▶ Deputy Commissioner Industries may be given this responsibility to monitor the cell.
Cost Structure	<ul style="list-style-type: none"> ▶ U.P. is a land-locked state. India's cost of logistics is one of the highest in the world. ▶ Since the start of Covid 19 Pandemic, the availability of containers and the Freight Charges by the Shipping lines has been the main concern of the industry 	<ul style="list-style-type: none"> ▶ The DIC office should organize workshops for exporters to apprise them about Foreign Trade Policy benefits viz. Duty Exemption Scheme / Advance Authorization Scheme / Duty Free Import Authorization Scheme. ▶ The DIC office should organize workshops for exporters to apprise about Export Promotion Scheme of the Department of MSME & Export Promotion, UP such as Market Development Assistant (MDA), Financial Assistance for Foreign fairs/exhibition, Financial Assistance for sending samples to foreign buyers, Subsidy on freight charges upto gate way port Air Freight Rationalisation Scheme etc. ▶ The CONCOR rates are to be made available at regular intervals to the DIC office for updation of the same at the district website. ▶ The formation of the Sub-committee comprising the representative of CONCOR and Deputy Commissioner Industries to understand the issue and suggest ways to help Industry. Ease of Logistics portal of FIEO has been developed to provide information about container availability and issues relating to it. The industry may be informed of this portal.

7.9 Future Outcomes

Annual Turnover

Increase in annual turnover by 10% annually from existing with the help of financial outreach of government programmes and other interventions.

Cluster exports

Double the export by 2024 as per State Agriculture Export Policy, 2019

8. Product 5: Chemical Products

8.1 Export of Chemical Industry

Chemical Industry is an important industry and place's significant role in total exports from India. The sector wise export from India under Chemical Sector is mentioned below:



the

Table 13: Export from India under Chemical Sector

Sl. No.	Product Name	ITC HS Code	Exports from India Billion USD
1	Dyes	32	2.34
2	Dye Intermediates	29	0.145
3	Inorganic Chemicals	28	1.054
4	Organic Chemicals	29	7.63
5	Agro Chemicals	38	3.5
6	Cosmetics	33	1.61
7	Essential Oils	33	0.234
8	Castor Oil	15	0.917
Total			17.43 USD Billion

Chemical Industry in Lucknow: The Chemical Industry in Lucknow specializes in Agro Chemical Manufacturing. The industry has diversified into manufacturing herbicide & fungicide and active pharmaceuticals ingredients (APIs) and value-added variants. The industries primarily relate to organized sector.

India Pesticides Limited, Lucknow is leading chemical manufactures in India operating globally. They are among top five manufacturers globally for several Technical both in Fungicides and Herbicides. Because of their niche and quality products portfolio, they are strategic supplier for USA, Australia, Europe, Africa, South America, and Asia.³⁰

The total export of chemical sector from Lucknow is as under:

Table 14: Export of Chemical sector from Lucknow³¹

Sl. No.	ITC HS	Item description	Total Export in financial year 2021-22 (in INR Cr)
1	38089290	Other Fungicide NES	124.85

8.2 SWOT Analysis

Table 15: SWOT Analysis of Chemical products

Strengths	Weaknesses
<ul style="list-style-type: none"> ▶ The industry has been successful in maintaining long-term relationships with its foreign buyers ▶ Low attrition rate due to industry being in Uttar Pradesh ▶ Availability of qualified individuals to undertake 	<ul style="list-style-type: none"> ▶ Strict Environmental Norms and process of evaluating Environmental Impact to be followed while undertaking production and/or research of chemicals ▶ The industry must comply with the applicable

³⁰ <http://www.indiapesticideslimited.com/index.php>

³¹ DGFT

<p>testing and/or scientific experiments in Lucknow due to presence of several CSIR laboratories.</p> <p>▶ Existing players are experienced and well established with strong management team and sales network</p>	<p>regulations of the international markets where it exports its products as well as obtain registrations from international agencies through customers to enable exports of products to other jurisdictions</p> <p>▶ The industry trends, technological advancements and customer preferences keep changing at a rapid pace whereas the local industry is not equipped with information to meet the rapid changing demand of the industry.</p> <p>▶ Shortages of Shipping Containers specifically for transportation of Chemicals</p>
Opportunities	Threats
<p>▶ Strong R&D and product development capabilities- with well-equipped R&D laboratories, registered with the DSIR</p>	<p>▶ Stiff competition from other agro-chemical producing countries.</p> <p>▶ Growing consumption of bio-pesticides globally and in India. The use and adoption of bio-pesticides by customers may affect competitive position and thereby have adverse effect on business, results of operations, and financial condition</p>

8.3 Challenges and interventions

Parameter	Challenges	Intervention
Market demand	Insufficient information about changing requirements of global market	DGFT/DIC may develop a web portal with the help of NIC so that timely information about the global trends is available to the industry.
Multiple compliances	Multiple compliance procedures to be followed to undertake production or research and sale	A subcommittee may be formed to understand the requirement of Industry and the committee may give necessary suggestions.
Increased alternatives in market	Growing use of alternative products	The industry may be encouraged to upgrade and innovate as per the changing customer requirement.
Marketing and branding	Minimal branding of the products manufactured	Since the products developed by the industry is for the limited area of use and hence it should focus on marketing and branding of the product. The necessary help and support from CHEMEXI may be obtained.
Cost Structure	▶ U.P. is a land-locked state. India's cost of logistics is one of the highest in the world	▶ The DIC office should organize workshops for exporters to apprise them about Foreign Trade Policy benefits viz. Duty Exemption Scheme / Advance Authorization Scheme / Duty Free Import Authorization Scheme.

Parameter	Challenges	Intervention
		<ul style="list-style-type: none"> ▶ The DIC office should organize workshops for exporters to apprise about Export Promotion Scheme of the Department of MSME & Export Promotion, UP such as Market Development Assistant (MDA), Financial Assistance for Foreign fairs/exhibition, Financial Assistance for sending samples to foreign buyers, Subsidy on freight charges upto gate way port Air Freight Rationalisation Scheme etc. ▶ The CONCOR rates are to be made available at regular intervals to the DIC office for updation of the same at the district website. ▶ The formation of the Sub-committee comprising the representative of CONCOR and Deputy Commissioner Industries to understand the issue and suggest ways to help Industry. Ease of Logistics portal of FIEO has been developed to provide information about container availability and issues relating to it. The industry may be informed of this portal.

9. Services Sector

India's services sector, which stands at USD 1.8 tn in 2018-19, has been the biggest contributor to India's GVA. It contributed 54.3% in 2018-19. The service sector is expected to grow at a faster rate riding on various initiatives taken by the Indian Government and is expected to **achieve US\$ 1 Trillion of exports by 2030**.

9.1 Champion Services Sector Scheme

To strengthen the services sector growth in India, the Government has identified **12 Champion Services Sectors viz. IT/IT Enabled services, Tourism and Hospitality, Financial Services, Medical value Travel, Transport & Logistics services, Accounting and Financial services, Audio-Visual services, Legal services, Communication, Construction related engineering services, Environmental Services and Education services**, which will be supported by a special fund of INR 5000 crore. The major benefit includes employment generation, increased productivity, enhanced competitiveness, and increased exports.³²

UP with the focus of quadrupling its economy to US\$ 1 trillion in the next 5 years, & in general it is expected that exports contribute 20% of the economic output which translates to US\$ 200 billion goods and services exports from UP in the next 5 years. It will also double its share from current 5% to 10% of India's target of US\$2 trillion of goods and services exports by 2030. Therefore, UP should plan to achieve US\$ 100 billion services exports by 2030.

9.2 Service Sectors in Lucknow

Based on the above details, Lucknow as the leading economic centre should aspire to have 10% of UP's total services exports and 1% of India's overall services exports by 2030.

SERVICE SECTOR EXPORTS from LUCKNOW has tremendous untapped potential as industry is poised to take India's Services Exports from the current US\$ 250 Billion to US\$ 1 Trillion by 2030. The DISTRICT as EXPORT HUB

³² Department of Commerce, Government of India

program of the Ministry of Commerce and Industry focused on the services sector also, will give a strong impetus to LUCKNOW SERVICES.

Lucknow having below very well-developed infrastructure in the 7 out of 12 Champion sectors. The 7 Champion sectors are Tourism and Hospitality, Medical Value Travel, Education Services, Information Technology Enabled Services (ITeS), Audio- Visual Services, Transportation & Logistics Services and Environmental Services.

9.2.1 Tourism and Hospitality Services

Apart from its historical monuments, Lucknow can be a hub for immersive experiential cultural adventure of Craft, Cuisine, Music, Dance, Yoga, Mango and Eco-Biodiversity Tourism which will compel foreign tourists & travellers to stay longer.

9.2.2 Medical Value Travel & Services

A well-developed mix of public & private facilities in medical, wellness & AYUSH healthcare and clubbed with international air connection especially to Middle East and Asia, makes Lucknow the best value for money proposition. With the advancement of video communications & ease of money transfer, professional medical consultation by the best doctors of Lucknow is on the rise & we see this as an impact service with a very high value. The district may be developed as the UP Hub for Medical Value Travel Facilitator (MVTf) enterprises.

9.2.3 Education Services

Lucknow offers unique one stop experiential learning for foreigners through the mix of traditional education with the non-traditional high value short-medium term experiential courses like Culture, Kathak, AYUSH etc, and leveraging the vast specialised institutions like Bhatkhande Sanskriti Vishwavidyalaya, Maharishi, CIMAP, CISH, CDRI, NBRI etc, The National Education Policy (NEP 2020) has all the elements to facilitate foreign student for short term experiential education.

9.2.4 Information Technology Enabled Services

The high intellect population clubbed with a developed Ecosystem & Infrastructure like STPI makes Lucknow a mini-Delhi, NCR for all types of export services leveraging the ITES technologies targeting Software as a Service (SaaS) global market. Availability of specialised services like industrial product designing, architectural, EdTech, fintech professional services makes the district more competitive.

9.2.5 Audio-Visual (AVGC – Animation, Visual Effects, Gaming and Comic) Services

The digital content creation both motion and static will be one of the important services exports from India. Lucknow has a tradition & expertise in creative arts & performance and with its vast diverse landscape, offers good variety to global customers to import Audio-Visual digital contents as well as produce motion films and documentaries in international languages. The Central Regional AVGC Centre of Excellence, Entrepreneurship & Skilling for UP, MP and Uttarakhand may be established in Lucknow with private sector participation.

9.2.6 Transportation and Logistics Services

As per Airport Authority of India, Lucknow's International Airport is currently 2nd to Indira Gandhi International Airport (IGIA), New Delhi in the North and Central region of India and the Airport as an Economic Zone is a Service to boost exports of other sectors from the region. The Transport Nagar area in Lucknow (near to Airport) may be developed as an 'International Multimodal Logistic & Transport Hub'. A modern "Cross Border E-Commerce Logistic & Fulfilment Centre" should be set up at this hub similar to IGIA to attract major International Air cargo logistic companies.

9.2.7 Environmental Services

The "Climate Change Mitigation Actions" will be one of the biggest technological cross border services in the years ahead and Lucknow can be a hub for professional services related to Carbon auditing, mitigation & credit generation, leading to carbon credit exports to global markets.

9.3 Services Export Promotion & Facilitation Centre

There is need to establish Services Export Promotion & Facilitation Centre in Lucknow, and this may be established with private sector participation which will have a focussed approach with a structured strategy of short- & long-term impact.

“FOCUS INTERNATIONAL MARKET – FOCUS LUCKNOW SERVICE”: Identification of the service based on demand, acceptability and competitiveness of the above services sectors should be carried out on a dynamic/ever evolving approach, which must be backed immediately with aggressive market development initiatives and promotion programs. It is also suggested to “mobilise private sector providers to expand market-driven products and services delivery” model & the Government should play the facilitator’s role & provide the required support, incentives/concessions.

Ministry of Tourism, Government of India has proposed Lucknow as one of the 19 cities in India for **MICE (Meetings, Incentive, Conferences and Exhibitions)**. Lucknow MICE Bureau should be established in Lucknow with private sector participation which will have a focussed approach with a structured strategy. Lucknow MICE Bureau will promote Lucknow as a MICE destination as well as provide handholding support to the MICE events in Lucknow. The Government should play the facilitator’s role & provide the required support, incentives & concessions. The term MICE may be understood as below:

Meetings (M) – Corporate meetings, “Lucknow Mehman-Nawazi”, Weddings & Family social/religious ceremonies

Incentive Travel (I) - Undertaken by corporate’s/organizations for its employers/dealers

Conferences/Conventions & Exhibitions/Events - Multi-sectoral, i.e.- medical, defence, industrial, culture, religious etc.

LUCKNOW - “Duniya ka Bazar” for “LOCAL to GLOBAL” may be organized through 3–7-day B2B & B2C International trade, business & cultural exhibitions regularly with an international standard ambience with at least 150-200 standard exhibition booths.

9.4 Challenges and interventions

Parameter	Challenges	Intervention
Market demand	Insufficient information about changing requirements of global services market as well as linking Lucknow Service Enterprises to Global Service demand	SEPC/UPEPC to do International promotional programs and also develop a web portal with the help of NIC so that timely information about the global trends is available to the local industry as well as link Lucknow Service Enterprises to Global markets to Service international demands for Exports.
Facilitating adoption of standard services	Lack of facilitation and implementing standard for delivery and export of Quality Services	The Government can explore signing MoU with service standard setting bodies globally and in India such as Global Sustainable Tourism Council (GSTC) for tourism services, Joint Commission International for health services and other international bodies related to the specific services sector.
Creation of database of	Unavailability of data for services related exports from Lucknow and	SEPC/DIEPC/UPEPC should facilitate services related export data as well as conduct

Parameter	Challenges	Intervention
Lucknow service exporters and support programs	absence of structured support programs strategy for export promotion	development programs for various services in the district economy for exports.

10. Key Schemes

10.1 Key schemes of Government of India (GoI)

10.1.1 Merchandise Exports from India Scheme (MEIS) ³³

This scheme is designed to provide rewards to exporters to offset infrastructural inefficiencies and associated costs. The Duty Credit Scrips and goods imported/ domestically procured against them shall be freely transferable. The Duty Credit Scrips can be used for:

- ▶ Payment of Basic Customs Duty and Additional Customs Duty specified under sections 3(1), 3(3) and 3(5) of the Customs Tariff Act, 1975 for import of inputs or goods, including capital goods, as per DoR Notification, except items listed in Appendix 3A.
- ▶ Payment of Central excise duties on domestic procurement of inputs or goods,
- ▶ Payment of Basic Customs Duty and Additional Customs Duty specified under Sections 3(1), 3(3) and 3(5) of the Customs Tariff Act, 1975 and fee as per paragraph 3.18 of this Policy.

Objective of the Merchandise Exports from India Scheme (MEIS) is to promote the manufacture and export of notified goods/ products.

10.1.2 Service Exports from India Scheme (SEIS) ³⁴

Under the Service Exports from India Scheme (SEIS), the Duty Credit Scrips are accorded as rewards. The goods imported against the Duty Credit Scrips, or the goods nationally acquired against the Duty Credit Scrips will be transferable freely. Given below is a list of requirements which can be fulfilled using the Duty Credit Scrips:

- ▶ Customs Duty payment and fee as per paragraph 3.18 of the policy.
- ▶ Customs Duties payment for importing goods or inputs, other than the items mentioned in Appendix 3A.
- ▶ Excise duties payment on the acquisition of goods or inputs, this includes capital goods according to the DoR notification.
- ▶ Service Tax payment upon acquisition of services according to the DoR notification.

10.1.3 Rebate of State and Central Levies and Taxes (RoSCTL) Scheme³⁵

It is an export incentive in the form of transferable and sellable duty credit scrips offered on the basis of the Free On Board (FOB) value of the export.

The benefits of Rebate of State Levies RoSCTL are available to exporters of readymade garments and made ups for now. The scheme aims to help them cut high logistics and other costs and enable them to compete globally. An exporter can benefit from this scheme for all exports done after 1st April 2019. For exports made prior to this date, the eligibility criteria of the RoSCTL scheme would be applicable. The rebate for such exports was allotted out of the RoSCTL scheme fund, on exhaustion of which DGFT would issue scrips, but at RoSCTL rates.³⁶

³³ <https://www.dgft.gov.in/CP/?opt=meis>

³⁴ <https://www.bankbazaar.com/tax/service-exports-from-india-scheme-seis.html>

³⁵ <https://www.dgft.gov.in/CP/?opt=rosctl>

³⁶ <https://www.dripcapital.com/resources/blog/rosctl-scheme>

10.1.4 Advance Authorisation Scheme³⁷

Advance Authorization Scheme allows duty free import of inputs, which are physically incorporated in an export product. In addition to any inputs, packaging material, fuel, oil, catalyst which is consumed / utilized in the process of production of export product, is also allowed.

The quantity of inputs allowed for a given product is based on specific norms defined for that export product, which considers the wastage generated in the manufacturing process. DGFT provides a sector-wise list of Standard Input-Output Norms (SION) under which the exporters may choose to apply. Alternatively, exporters may apply for their own ad-hoc norms in cases where the SION does not suit the exporter.

Advance Authorization covers manufacturer exporters or merchant exporters tied to supporting manufacturer(s).

10.1.5 Duty Free Import Authorization (DFIA) Scheme³⁸

DFIA is a variant to Advance Authorization scheme. It is different from Advance Authorization as a higher minimum value addition of 20% is required, as compared to only 15% in Advance Authorization. It has enabling provision for transferability of authorization or materials imported against it. DFIA can be applied and obtained on post export basis as well. It is popular with exporters who export first and then obtain the Authorization, which can be sold freely.

10.1.6 Rebate of Duties & Taxes on Exported Products (RoDTEP Scheme)

The RoDTEP scheme will replace the old MEIS in a phased manner from December 2020. The RoDTEP scheme aims to refund all hidden taxes, which were earlier not refunded under any export incentive scheme, such as the central and state taxes on the fuel used for transportation of export products, duties levied on electricity used for manufacturing, mandi tax levied by APMCs, toll tax & stamp duty on the import-export documentation and others.

10.2 Schemes under Uttar Pradesh Export Promotion Bureau³⁹

Various schemes being run by Export Promotion Bureau to apprise the exporters are as follows:

A. Marketing Development Scheme (MDA)

S. No	Incentive Offered	Amount of incentive against total expenditure
1	Participation in foreign fairs/exhibitions (total three fairs / annum) a. Stall charges b. Air fare (economy class)	a. 60% of stall charges (max 2 lakh / fair) b. 50% (max 1 lakh for one person / fair)
2	Publicity, advertisement, development of website	60 % (max 0.75 lac/annum)
3	Sending of samples to foreign buyers	75 % (max 1 lac/annum)
4	ISO /BSO certification	50 % (max 2 lac/annum)

B. Gateway Port Scheme

Brief Description	Assistance is given to all manufacturing exporting units on expenses incurred on the rail transport of their goods from ICD/CFS to Gateway ports.
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³⁷ dgft.gov.in/CP/?opt=adnavce-authorisation

³⁸ <https://www.eepcindia.org/page.aspx?id=P160411110629&page=Export-Promotion-Schemes>

³⁹ <https://epbupindia.in/>

Eligible units	Micro, small & medium enterprises.
Incentives Offered against actual expenditure	25% of the total expenditure or Rs 10000/- (20 ft' container) & Rs 20000/- (40 ft' container) whichever is less
Maximum limit	Rs 20 lacs /unit /year
Empowered committee	District Users Committee under the chairmanship of district magistrate.

C. Air Freight Rationalization Scheme

Incentive offered	25% of the actual expenditure or Rs 100 / kg (whichever is less)
Eligible Units	Manufacturer & merchant exporter
Maximum limit	Rs 5 lacs /unit /year
Recognized Cargo Complexes	Financial assistance under the scheme has been allowed for export through air cargo complexes situated in / outside Uttar Pradesh

11. Action Plan

Quantifiable activity/ intervention	Responsible authority	Timeline for implementation ⁴⁰
Increasing the overall exports from the district		
Establishment of Trade promotion Center by U.P. Handicrafts Development & Marketing Corporation Ltd under Trade Infrastructure for Export Scheme (TIES)	UP HDMC, UPEPC, DGFT, DIEPC	Intermediate
Sensitization and facilitation in availing Import/ export documents: Majority of the cluster actors though interested and sensitized on exports are unaware of Import-Export Code which is crucial for participating in global trade. While some of them are aware, they face challenges in applying. Thus, at district level, a camp should be set in every three months to help the individuals interested in trade to understand about the requisite documents required for undertaking import/export and provide support in availing them	DIEPC, UPEPB, DGFT	Continuous initiative
Creation of an event calendar comprising of events to be conducted in a Financial Year with a focus on international marketing events . Further, DGFT and FIEO can finalize a target to participate in at least 3 international events in a year per product category/industry (food, engineering & auto components, handicrafts, textile& apparel etc.) by utilizing schemes like IC and MAS	DIEPC, UPEPB, DGFT, FIEO	Continuous initiative
Sensitization of cluster actors: a. The individuals of a cluster should be sensitized on the	DIEPC, UPEPB, DGFT	Continuous initiative

⁴⁰ Short term: Should be initiated within 6 months, Intermediate: to be initiated between 6- 12 months, long terms after 12 months

<p>plethora of schemes⁴¹ available for them for maximizing the potential of exports. Merchandise Exports from India Scheme, Service Export from India Scheme etc. provides various exemptions for facilitating exports. Further, schemes like Advance Authorization Scheme (AAS), Duty Free Import Authorization (DFIA Scheme) ensure procurement of imported duty-free raw materials</p> <p>b. Currently, majority of the exporters and traders focus on selling their goods to USA, UK and European countries without correctly analyzing the demand market. Thus, these cluster actors should be sensitized on target countries identified through export analysis mentioned in DAPs and EAP</p>		
<p>DIC and FIEO can play a pro-active role in this regard. 10% increase in every year in the number of units taking part in the trade fairs organized by FIEO and other organizations may be proposed as a target under this segment</p>	<p>DIEPC, UPEBP, DIEPC and FIEO</p>	<p>Intermediate</p>
<p>Identification of Indian Products in International Market:</p> <p>Countries having potential market for Indian products may be identified and strengths of Indian diaspora may also be explored for promotion of export from the district</p>	<p>DIEPC, UPEBP, DGFT and FIEO</p>	<p>Continuous initiative</p>
<p>Common interventions across sectors/ clusters</p>		
<p>Collaboration with e-commerce companies like Amazon, ebay, Flipkart etc.</p>	<p>UPEPB/DIEPC/ODOP Cell/DGFT</p>	<p>Short term</p>

⁴¹ List of available schemes facilitating exports:
<https://cdn.s3waas.gov.in/s3555d6702c950ecb729a966504af0a635/uploads/2020/12/2020120965.pdf> and
[https://www.ibef.org/blogs/indian-export-incentive-schemes:](https://www.ibef.org/blogs/indian-export-incentive-schemes)

MoU with QCI for defining quality standards of the products	UPEPB/DIEPC/ODOP cell/DGFT	Short term
Collaboration with IIP to define cluster-wise packing standards	UPEPB/DIEPC/DGFT	Short term
Sensitization of banks and bankers to help them understand the niche sectors of MSME and their specific requirements which shall help banks evaluate projects better while lending credit	UPEPB/DIEPC/DGFT and banks	Short term
Introduction of revolving working capital within the cluster to help MSMEs procure raw materials and undertake production without hinderances	UPEPB/DIEPC/DGFT and banks	Intermediate
Tie up with the banks/financial institutions (SIDBI, BoB etc.) for better interest rates, enhanced working capital limits etc.	UPEPB/DIEPC/DGFT and banks	Intermediate
Handholding of MSMEs for increasing their awareness on schemes of state & centre and the procedure to apply to avail financial assistance	UPEPB/DIEPC/DGFT	Intermediate
Sensitization of cluster actors from this sector on Make in India initiative and PLI for leveraging the assistance provided to the sector to enhance productivity and expand exports	DIEPC/UPEPB/DGFT	Short term
DIEPC to act as a focal point for all exporters issues. Deputy Commissioner Industries may be given this responsibility to monitor the cell in consultation with DGFT.	DIEPC/DGFT/UPEPB	Long term
Cost Structure: a. The DIC office should organize workshops for exporters to apprise them about Foreign Trade Policy benefits viz. Duty Exemption Scheme / Advance Authorization Scheme / Duty Free Import Authorization Scheme.	DIEPC/UPEPB/DGFT/FIEO DIEPC/UPEPB/DGFT/FIEO	Long term Long term

<p>b. The DIC office should organize workshops for exporters to apprise about Export Promotion Scheme of the Department of MSME & Export Promotion, UP such as Market Development Assistant (MDA), Financial Assistance for Foreign fairs/exhibition, Financial Assistance for sending samples to foreign buyers, Subsidy on freight charges upto gate way port Air Freight Rationalization Scheme etc.</p> <p>c. The CONCOR rates are to be made available at regular intervals to the DIC office for updation of the same at the district website.</p> <p>d. The formation of the Sub-committee comprising the representative of CONCOR and Deputy Commissioner Industries to understand the issue and suggest ways to help Industry. Ease of Logistics portal of FIEO has been developed to provide information about container availability and issues relating to it. The industry may be informed of this portal.</p>	<p>DIEPC/UPEPB/FIEO/DGFT</p> <p>DIEPC/UPEPB/FIEO/DGFT</p>	<p>Short term</p> <p>Short term</p>
Product 1: Chikankari and Zari-Zardozi		
<p>▶ Examine the proposal of establishment of Raw Material Bank under ODOP CFC Scheme if covered under the scope of Scheme or under any other scheme. Deputy Commissioner Industries should submit a report on the feasibility of this proposal before the acceptance of Report so that this may be included in the report.</p> <p>▶ Create awareness about Mill gate Scheme through DC</p>	<p>DIEPC/UPEPB and ODOP Cell</p>	<p>Long term</p>

handicraft and DIEPC.		
<ul style="list-style-type: none"> ▶ Establishment of Common processing Center with modern machines including fabric checking and measuring machine, packaging, and tagging machine, Sewing (Juki) machine etc under ODOP scheme or any other scheme. 	DIEPC/UPEPB/ODOP Cell	Long term
<ul style="list-style-type: none"> ▶ Establishment of Product Design Center with CAD/ CAM facility along with a display center. ▶ Collaboration with renowned designers to conduct workshops for artisans pertaining to design forecasting, upcoming trends, market assessment etc. 	DIEPC/UPEPB/ ODOP Cell	Intermediate
<p>Craft tourism: Lucknow has world renowned historic places such as Chota Imambara, Baradari, Begum kothi, British Residency etc. As a piolet project any of these historical places can have a specific area where tourist can see history of Chikankari Craft, what makes it unique, process of producing a Chikankari product and outlet from where the international and domestic tourist can buy the authentic Chikankari product.</p>	UPEPB/ EPC, ODOP Cell & UP Tourism	Long term
Collaboration with NIFT and NID for design inputs and support in branding initiatives	UPEPB/DIEPC/DGFT/ODOP Cell	Long term
Increase the usage of the portal as this portal facilitates the weavers and artisans to provide information about their handloom products for easy understanding of exporters.	UPEPB/DIEPC/DGFT/ODOP Cell	Short term
<p>Promotion of post GI initiative:</p> <ul style="list-style-type: none"> a. DIC to identify 100 authorized users to become IEC holder in a year b. Organize one seminar within two months to apprise the stakeholders about the importance of Geographical Indication (GI) and for increasing the 	DIEPC/UPEPB/DGFT/ODOP Cell	Intermediate term

authorized users		
Product 2: Malihabadi Dasherri Mango		
It is proposed to Create a warehouse with modern Storage Facility. Deputy Commissioner Industries may examine the proposal in consultation with APEDA and Directorate of Agriculture Marketing and Agriculture Foreign Trade, UP. If found feasible, Necessary action may be initiated by DEPC for Creation of same.	UPEPB/APEDA/ Directorate of Agriculture Marketing and Agriculture Foreign Trade, UP/DIEPC/DLEPC	Long Term
<p>▶ FPO model approach: It is suggested that on the lines of State Agri Export Policy, FPO model and cluster-based approach be adopted.</p> <p>▶ As per Agriculture Export Policy of Uttar Pradesh, 2019, the Cluster Facilitation Cell under the Chairmanship of District Magistrate is responsible for defining the areas of Cluster and number of Farmers in the cluster as per suitability and goals of Export Promotion. As per U.P. Govt. GO number 06/2021/1729003/2021 dated 13.08.2021, Mango Cluster has been identified and the number of FPOs to be increased</p>	UPEPB, DIEPC, APEDA, DGFT and Dept of Food Processing & Horticulture	Long term
<p>Promotion of post GI initiative:</p> <p>a. DIC to identify 100 authorized users to become IEC holder in a year</p> <p>b. Organize one seminar within two months to apprise the stakeholders about the importance of Geographical Indication (GI) and for increasing the authorized users</p>	DIEPC/UPEPB/DGFT	Long term
Collaboration with E-commerce companies focusing on vegetables and fruit sale like Big Basket, Natures Basket etc.	Big Basket/Natures Basket and UPEPB/DIEPC/DGFT	Short term
APEDA may be asked to apprise the stakeholders about benefits	APEDA/UPEPB/DIEPC/DGFT	Ongoing

under NPOP scheme		
<p>Training programme to educate the cultivators:</p> <p>a. Training programme to educate the cultivators about various SPS/ Technical standards in international markets</p> <p>b. Focus should be on providing the information about SPS / TBT issues with respect to the countries having Significant Global Demand.</p> <p>c. The District Industry Centre in consultation with regional DGFT officer & APEDA may chalk out the programme on quarterly basis to train and educate cultivators and other stake holders about SPS/ technical standards in international markets.</p>	DIEPC/DGFT/APEDA/DGFT	Ongoing
Product 3: Engineering goods		
<p>▶ Establishment of a RMB to ensure availability of raw materials at affordable prices and portal for better tracking of raw material purchased.</p> <p>▶ Ensuring procurement of quality raw materials from Ghaziabad, Gurugram etc.</p>	UPEPB/DIEPC/DGFT	Long term
Setting up of a common effluent treatment plant to minimize pollution caused by disposal of untreated ISW	UPEPB/DIEPC/DGFT	Long term
Development of an Industrial Estate Management Authority for maintenance of the industrial infrastructure	UPEPB/DIEPC/DGFT	Intermediate
Creation of linkages with various govt. bodies like railway, defense, aerospace etc. for acting as a permanent buyer	UPEPB/DIEPC/DGFT	Long term
Product 4: Rice, Sugar and Wheat		

Focus on high Yielding Export Quality Rice -Breeding programme may be initiated to develop high yielding export quality rice (Non-Basmati, Long Grain Rice, etc.) to enable the exporters to sustain their exports in future.	Research Institutes/Agriculture Department/DIEPC/ APEDA/DGFT	Intermediate
Identification of Agency for distribution of High Yield Export Quality Verities in identified Cluster under State Agriculture Export Policy, 2019 by Directorate of Agriculture Marketing and Agriculture Foreign Trade, UP and APEDA	Directorate of Agriculture Marketing and Agriculture Foreign Trade, UP/Agriculture Department/APEDA/DLEPC/DGFT/DIEPC	Long term
<ul style="list-style-type: none"> ▶ To identify export quality belts/zones for production of rice to meet the requirement of exports. ▶ As per U.P. Govt. GO number 06/2021/1729003/2021 dated 13.08.2021 Rice Cluster has been identified in Lucknow. The District Level Cluster Committee may be requested to examine the feasibility of identification of cluster for RICE Cluster and forwarding suitable proposal to the concerned Authority under Policy 	Directorate of Agriculture Marketing and Agriculture Foreign Trade, UP/Agriculture Department/APEDA/DLEPC/DGFT/DIEPC	Long term
It is suggested that special efforts should be made to promote the export of organic product such as Rice and sugar from this district.	DIEPC/APEDA/UPEPB/DGFT	Short term
Distribution of Certified seeds to farmers partially through Krishi Vigyan Kendra (KVK) of Lucknow and Farmer Producers Organization	Agriculture Department/APEDA/KVK/ DIEPC/ FPO	Ongoing as per Implementation schedule
<ul style="list-style-type: none"> ▶ Modernized Rice and sugar mills to ensure high milling recovery and reduce the percentage of broken rice. This rice will be suitable for export. ▶ Sugar mill owner make use of Government schemes for upgradation of their mills. 	UPEPB/DIEPC/State Agriculture Department/APEDA/DGFT	Long term
Training programme to educate the cultivators: <ul style="list-style-type: none"> a. Training programme to 	DIEPC/DGFT/APEDA/DGFT	Ongoing

<p>educate the cultivators about various SPS/ Technical standards in international markets</p> <p>b. The District Industry Centre in consultation with regional DGFT officer & APEDA may chalk out the programme on quarterly basis to train and education cultivators and other stake holders about SPS/ technical standards in international markets.</p>		
<p>Focus on upgradation of technology used in production by establishing a CPC utilizing PM FME scheme</p>	<p>UPEPB, DIEPC/APEDA/ DHOs and Dept of Food Processing & Horticulture</p>	<p>Long term</p>
<p>Collaboration with E-commerce companies focusing on vegetables and fruit sale like Big Basket, Natures Basket etc.</p>	<p>Big Basket/Natures Basket and UPEPB/DIEPC/DGFT</p>	<p>Short term</p>
Product 5: Chemicals		
<p>DGFT/DIC may develop a web portal with the help of NIC so that timely information about the global trends is available to the industry.</p>	<p>DGFT/DIEPC/UPEPB and NIC</p>	<p>Intermediate term</p>
<p>A subcommittee may be formed to understand the requirement of Industry and the committee may give necessary suggestions.</p>	<p>District Administration/ DIEPC/UPEPB and DGFT</p>	<p>Intermediate term</p>
<p>Since the products developed by the industry is for the limited area of use and hence it should focus on marketing and branding of the product. The necessary help and support from CHEMEXI may be obtained.</p>	<p>Sector expert, IAs, DIEPC and UPEPB</p>	<p>Long term</p>
Product 6: Services Sector		
<p>SEPC/UPEPC to do International promotional programs and also develop a web portal with the help of NIC so that timely information about the global trends is available to the local industry as well as link Lucknow Service</p>	<p>DLEPC/SEPC/UPEPC/DGFT and NIC</p>	<p>Intermediate term</p>

Enterprises to Global markets to Service international demands for Exports.		
<p>Facilitating adoption of services standard:</p> <p>The Government can explore signing MoU with service standard setting bodies globally and in India such as Global Sustainable Tourism Council (GSTC) for tourism services, Joint Commission International for health services and other international bodies related to the specific services sector.</p>	DLEPC/SEPC/UPEPC/DGFT and QCI	Intermediate term
<p>Creation of database of Lucknow service exporters and support programs</p> <p>SEPC/DIEPC/UPEPC should facilitate services related export data as well as conduct development programs for various services in the district economy for exports.</p>	DLEPC/SEPC/UPEPC/DIEPC/DGFT	Short term

12. Abbreviations

APEDA	The Agricultural and Processed Food Products Export Development Authority
API	Active pharmaceuticals ingredients
AVGC	Animation, Visual Effects, Gaming and Comics
AYUSH	Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homeopathy
CAD	Computer-Aided Design
CAM	Computer Aided Manufacturing
CDRI	Central Drug Research Institute
CFC	Common Facility Center
CIMAP	Central Institute of Medicinal and Aromatic Plants
CISH	The Central Institute for Subtropical Horticulture
CONCOR	Container Corporation of India
CPC	Common Production Center
DGFT	Director General of Foreign Trade
DHO	District Horticulture Officer
DIC	District Industries Center
DIEPC	District Industry and Enterprise Promotion Center
DLEPC	District Level Export Promotion Committee
DPR	Detailed Project Report
UPEPC	Uttar Pradesh Export Promotion Council
EPCG	Export Promotion Capital Goods
FIEO	Federation of India Export Organization
FPO	Farmer Producer Organizations
FTA	Free Trade Agreement
GCC	Gulf Cooperation Council
GI	Geographical Indication
HS	Harmonized System

IC	International Cooperation
IC Engines	Internal Combustion Engines
IEC	Import Export Code
IGIA	Indira Gandhi International Airport
IIP	Indian Institute of Packaging
ISW	Industrial Solid Waste
ITI	Industrial Training Institute
KVK	Krishi Vigyan Kendra
MAS	Market Assistance Scheme
MICE	Meetings, Incentives, Conferences/Conventions and Exhibitions/Events
MSE CDP	Micro & Small Enterprises - Cluster Development Programme
MSME	Micro, Small and Medium Enterprises
NBRI	National Botanical Research Institute
NEP	National Education Policy
NHB	National Horticulture Board
NIC Code	National Industrial Classification Code
NIC	National Informatics Center
NID	National Institute of Design
NIFT	National Institute of Fashion Technology
NSDC	National Skill Development Cooperation
NSI	National Sugar Institute
ODOP	One District One Product
PM FME	Pradhan Mantri Formalisation of Micro food Processing Enterprises
PMU	Project Monitoring Unit
QCI	Quality Council of India
R&D	Research & Development
RMB	Raw Material Bank

SEPC	Services Export Promotion Council
SGPGI	Sanjay Gandhi Post Graduate Institute of Medical Science
SIDBI	Small Industries Development Bank of India
SPS	Sanitary & Phytosanitary
SPV	Special Purpose Vehicle
STPI	Software Technology Park of India
SWOT	Strength, Weakness, Opportunities, Threats
TBT	Technical Barriers to Trade
UAE	United Arab Emirates
UK	United Kingdom
UP	Uttar Pradesh
UPEPB	Uttar Pradesh Export Promotion Bureau
UPICO	UP Industrial Consultancy Organisation
USA	United States of America
ZBNF	Zero Budget Natural Farming



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